



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 19, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

8 June 19, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**AMENDMENT NO. 1, LEASE NO. 76453
APPROVE RELATED APPROPRIATION ADJUSTMENT
PUBLIC LIBRARY
27971 SLOAN CANYON ROAD, CASTAIC
(FIFTH DISTRICT) (4 VOTES)**

SUBJECT

The purpose of this request is to amend Lease No. 76453 to expand the Public Library by 5,247 rentable square feet of space, construct tenant improvements, and include an option to purchase the parcel and building totaling 12,232 square feet of space upon completion and acceptance of tenant improvements by the Landlord.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the lease amendment with Castaic FCG Properties LLC (Landlord), for the County Public Library to add approximately 5,247 rentable square feet of space to the 6,985 rentable square feet of existing space located in a building located at 27971 Sloan Canyon Drive, Castaic, at an annual first year rent increase not to exceed \$172,908, plus first year payment of \$1,968,120 reimbursement for additional tenant improvements and change order allowance. The rental cost is 100 percent net County cost and will be covered by the Fifth District Capital Project Funds.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only***

3. Authorize the Landlord and/or Director of Internal Services Department, at the discretion of the Chief Executive Officer to acquire additional telephone and data systems for the County Public Library at a cost not to exceed \$200,000. All of the telephone, data, and low voltage systems will be paid in lump sum, in addition to other tenant improvement allowances through the Fifth District Capital Projects Funds.
4. Authorize the reimbursement to the Landlord, Internal Services Department, or the County Public Library for the acquisition of furniture, fixtures and equipment, architectural design, and construction management services not to exceed \$1,000,000, and fund the purchase of books and materials in the amount of \$250,000, which will be funded through the Public Library's operating budget.
5. Approve the appropriation adjustment to transfer \$1,870,000 from the Public Library's Developer Fee Budget, Planning Area 1 (BM1, 55381) and \$2,141,000 in net County cost from Stevenson Ranch Library (CP 77602) to the Castaic Library expansion project.
6. Approve and authorize the Chairman to execute the Option Agreement, which will provide the County with approximately one acre parcel and improvements, which incorporates the entire 12,232 square feet of library space for the proposed purchase price of \$2,350,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Public Library (Library) has occupied 6,985 square feet of library space since October 2008. In 2010, the Castaic Center was purchased by Castaic FCG Properties LLC (Landlord) and the Landlord proposed offering the additional 5,247 square feet of space remaining in the adjacent unit for lease to the Library.

This amendment recommendation is being requested to increase the size of the library. The amendment requests: 1) an additional 5,247 square feet, which will increase the total Library space to 12,232 square feet, 2) exercise an option for an additional five-year term, 3) authority to reimburse the Landlord for tenant improvements (TI) up to \$1,968,120, and 4) authority to enter into an option agreement for transfer of real property by and between Landlord and the County for the parcel and improvements, which incorporates the 12,232 square feet of space for \$2,350,000. The library expansion and proposed acquisition allows the County library system to continue long-term service to all residents in Castaic and the surrounding unincorporated County geographic area.

The establishment of a full-size library in Castaic is consistent with the Library's long-range facility planning and will meet the service needs of the local population. Construction of a new library elsewhere in Castaic is not feasible at the present time due to cost constraints and land availability. Therefore, the decision was made to establish a community library in a leased facility, and acquire an option to purchase the leased facility after the improvements have been completed.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we ensure that service delivery systems are efficient and effective, and that the cultural and learning programs offered at libraries improve the quality of life for the residents of the County's unincorporated communities and its visitors. The Chief Executive Office (CEO), in conjunction with the Library, will expand the library in a leased space to ensure compliance with the Strategic Asset Management Principles outlined in Attachment A.

FISCAL IMPACT/FINANCING

The monthly rent under the lease amendment will be a \$2.75 per square foot modified full-service comprised of a Base Rent of \$2.046 per square foot, which will be adjusted annually at a minimum of 2.5 percent to a maximum of 5 percent, and an Operating Expense Rent of \$0.70 per square foot, which is adjusted annually not to exceed 5 percent of the estimated controllable operating expense costs.

The cost for the first year of this amendment to add additional space shall not exceed \$403,072 in total rent based on the terms and conditions of the lease amendment, and to reimburse Landlord for TI up to \$1,968,120.

27971 SLOAN CANYON	EXISTING LEASE NO. 76453	AMENDMENT NO. 1	CHANGE
Area - square feet (sq. ft.)	6,985 sq. ft. library space	5,247 sq. ft. new space	+5,247 sq. ft.
Term	10/15/2008 – 10/14/2018	Upon board approval	10/14/2023
Annual Base Rent	\$230,173	\$403,072	+ \$172,899
Tenant Improvements	Paid in full (\$469,100)	\$1,968,120	+ \$1,968,120
Parking	30 spaces	24 spaces	+24, or 54 spaces
Cancellation	County may cancel any time after 84 th month upon 365 days prior written notice	County may cancel any time after 84 th month upon 365 days prior written notice	None
Option to Renew	Two 5-year options	5-year option exercised	One 5-year option remains
Rental Adjustment	Consumer Price Index (CPI) to a maximum of 5% to a minimum of 2.5% annually	CPI to a maximum of 5% to a minimum of 2.5% annually	None
Option to Purchase	None	18 months option to purchase for \$2,350,000	Purchase option +2,350,000

The total estimated cost for the telephone, data, and low voltage systems enhancements is not to exceed \$200,000. The current telephone system is upgradeable to the current Voice over Internet Protocol (VoIP) and data network systems that are sufficiently robust to allow for future voice, data, and video convergence. Should the Landlord be able to provide the aforementioned work at a cost at or below the County's cost, the recommendation herein allows for the payment of these costs to the Landlord, or at the discretion of the CEO, all or part of these costs may be paid to the Landlord on a lump sum basis.

The project also includes funding of \$1,000,000 towards the acquisition of furniture, fixtures and equipment (FFE), procurement of architectural engineering (A/E), and construction management (CM) services, and \$250,000 to enhance the books and materials collection.

All TIs, telecommunication/data and low voltage systems, rent expenses, FFE, A/E and CM services, and books and materials will be paid from the Library's operating budget. Sufficient funds from the appropriation adjustments will be available in the Library's budget if the purchase option is exercised.

On January 15, 2008, the Board approved a ten-year lease for the existing Castaic Library; a subsequent appropriation adjustment was approved transferring \$3,000,000 from the Fifth District's Capital Projects Fund to cover TIs and lease costs. On March 1, 2011, the Board also approved an appropriation adjustment transferring an additional \$800,000 to the Public Library's Operating Budget.

Approval of the attached appropriation adjustment (Attachment C) will transfer \$1,870,000 from the County Public Library's Developer Fee Budget, Planning Area 1 (BM1, 55381) and \$2,141,000 in net County cost from Stevenson Ranch Library (CP 77602) to Library Operating Budget for the Castaic Library expansion project.

The Library anticipates minimal increased operating costs as a result of the expansion.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed amendment provides for approximately 5,247 rentable square feet of space and 24 additional parking spaces, in the building located at 27971 Sloan Canyon Road, Castaic. The lease also contains the following provisions:

- The amendment commences upon Board approval and ends October 14, 2023.
- Reimbursement to Landlord for TI in the amount not to exceed \$1,968,120.

- Additional TI and change order allowance totaling \$1,968,120 in reimbursable TI funds is available. Any amount utilized for TI will be paid back to the Landlord in progressive payments and fully reimbursed within 30 days of acceptance of the improvements by the County.
- The Landlord will provide 24 additional parking spaces, for a total of 54 spaces included in the rental rate which are sufficient to meet the parking needs of the department and patrons.
- The lease is on a modified full-service basis whereby the Landlord will be responsible for all operating and maintenance costs. The County must pay for its metered electricity consumption, janitorial, and preventive monthly maintenance of the HVAC system. The County will cover all costs associated with the property when purchased.
- A cancellation provision is provided in the lease which allows the County to cancel anytime after the 84th month with 365 days prior written notice.
- The County is exercising its first five-year option at this time, as negotiated by the Landlord, in return for obtaining the purchase option and additional incentives offered by the Landlord.

CEO-Real Estate staff surveyed the Castaic, Val Verde, and surrounding area to determine the market rate of comparable sites. Based upon said survey, staff has established that the base rental range including parking and TI for similar property is between \$33 and \$40 per square foot per year modified full-service. Thus, the base annual rent of \$32.95 per square foot for the base lease cost is at the lower range of the market rate for this area. Attachment B shows County-owned and leased facilities within the search area and none are available to house the library expansion.

Entering into the Option Agreement will provide the County with the ability to: 1) secure rights to purchase the leased Library space consisting of 12,232 square feet of improvements and approximately one acre of land, with easement rights for access and utilities for an appraised purchase price of \$2,350,000, and 2) allow the County to conduct due diligence activities consisting of an environmental site assessment, geotechnical work, and title review, prior to returning to the Board to exercise the option to purchase.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CEO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

The Honorable Board of Supervisors
June 19, 2012
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be some disruption of services to the public as the amendment to incorporate approximately 5,247 rentable square feet of library space includes the Landlord providing temporary space on site to house a smaller library use, which would offer temporary library services on site during the remodel of the existing and new space.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return four copies of the lease amendment, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,



WILLIAM Y. FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:TS:ls

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor Controller
Internal Services
Public Library

**PUBLIC LIBRARY
27971 SLOAN CANYON ROAD, CASTAIC**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ²				X
B	Does lease co-locate with other functions to better serve clients? ²		X		
C	Does this lease centralize business support functions? ²				X
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² This guideline is for office space use and a library requires large areas for public use and flow.			X	
2.	<u>Capital</u>				
A	Is it a substantial net County cost program? 100 percent net County cost		X		
B	Is this a long term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X		
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Attachment B?		X		
G	Was build-to-suit or capital project considered? Construction of a new library in Castaic is not cost effective, adding to the existing facility is cost effective			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?			X	
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				X
D	Why was this program not co-located?				
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ No suitable County occupied properties in project area.				
	3. ____ No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. <u>X</u> The Program is being co-located.				
E	Is lease a full service lease? ² No, County pays for its metered electricity consumption and janitorial for the Premises area, as Landlord was unwilling to offer these services in the negotiations of the Lease.			X	
F	Has growth projection been considered in space request?				X
G	Has the Dept. of Public Works completed seismic review/approval? Building built in 2006, meets current standards.			X	
	¹ As approved by the Board of Supervisors 11/17/98				
	² If not, why not?				

Attachment B

**SPACE SEARCH – WITHIN AREA OF CASTAIC AND VAL VERDE
27971 SLOAN CANYON ROAD, CASTAIC
PUBLIC LIBRARY**

LACO	FACILITY NAME	ADDRESS	SQUARE FEET GROSS NET	OWNERSHIP	SQUARE FEET AVAILABLE
4050	CAMP SCOTT-ADMINISTRATION BUILDING	28700 N BOUQUET CANYON RD, SAUGUS 91350	3625	2053 OWNED	NONE
T514	CAMP SCOTT-OFFICE TRAILER	28700 N BOUQUET CANYON RD, SAUGUS 91350	1581	1290 OWNED	NONE
3909	CAMP SCUDDER-ADMINISTRATION BUILDING	28750 N BOUQUET CANYON RD, SAUGUS 91350	4343	2487 OWNED	NONE
0117	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	480	432 PERMIT	NONE
0119	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	192	173 PERMIT	NONE
A341	DPSS-SANTA CLARITA BRANCH / LANCASTER AP DIST	27233 CAMP PLENTY RD, SANTA CLARITA 91351	8400	5610 LEASED	NONE
A526	PUB LIB-CANYON COUNTRY JO ANNE DARCY LIBRARY	18601 SOLEDAD CANYON RD, SANTA CLARITA 91351	12500	11250 PERMIT	NONE
0090	PW ROAD-DIV #553 MAINTENANCE YARD OFFICE	17931 SIERRA HWY, SANTA CLARITA 91351	820	738 OWNED	NONE
6121	ANIMAL CONTROL #6-OFFICE	31044 N CHARLEY CANYON RD, CASTAIC 91384	1962	857 OWNED	NONE
4687	PW ROAD-DIV #556 MAINT YD OFFICE	27624 W PARKER RD, CASTAIC 91384	576	441 OWNED	NONE
D143	DCSS-SANTA CLARITA VALLEY SERVICE CENTER	24271 SAN FERNANDO RD, NEWHALL 91321	11400	9120 LEASED	NONE
				LEASED	NONE
4490	HART-PARK HEADQUARTERS BUILDING	24151 SAN FERNANDO RD, SANTA CLARITA 91321	1646	897 OWNED	NONE
4284	HART-PARK OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	662	464 OWNED	NONE
X151	HART-WEED CONTROL OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	608	540 OWNED	NONE
X210	PLACERITA CANYON-MAINTENANCE OFFICE & STORAGE	19152 PLACERITA CANYON RD, NEWHALL 91321	300	291 GROUND LEASE	NONE
T592	SANTA CLARITA SENIOR CENTER-ANNEX	22900 MARKET ST, SANTA CLARITA 91321	1440	1296 OWNED	NONE
T593	SANTA CLARITA SENIOR CENTER-OFFICES	22900 MARKET ST, SANTA CLARITA 91321	1440	1296 PERMIT	NONE
X298	SANTA CLARITA VALLEY SENIOR CENTER	22900 MARKET ST, SANTA CLARITA 91321	9240	7920 OWNED	NONE
F371	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	598	538 OWNED	NONE
F381	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	980	882 OWNED	NONE
3315	PCHS DT CTR-COUNSELING OFFICE	29310 THE OLD RD, CASTAIC 91384	480	414 OWNED	NONE
0478	PCHS DT CTR-FIELD OFFICE / STORAGE BUILDING	29310 THE OLD RD, CASTAIC 91384	1870	1637 OWNED	NONE
1042	PCHS DT CTR-FOREMAN'S OFFICE	29310 THE OLD RD, CASTAIC 91384	174	104 OWNED	NONE
0515	PCHS DT CTR-GUARD HOUSE OFFICE	29310 THE OLD RD, CASTAIC 91384	240	221 OWNED	NONE
0465	PCHS DT CTR-HONOR RANCHO ADMINISTRATION BLDG	29310 THE OLD RD, CASTAIC 91384	2171	1517 OWNED	NONE
1935	PCHS DT CTR-LIBRARY	29310 THE OLD RD, CASTAIC 91384	4477	3861 OWNED	NONE
2570	PCHS DT CTR-MASONRY OFFICE	29310 THE OLD RD, CASTAIC 91384	288	246 OWNED	NONE
4792	PCHS DT CTR-MEDIUM SECURITY ADMINISTRATION	29310 THE OLD RD, CASTAIC 91384	25726	16719 OWNED	NONE
1036	PCHS DT CTR-MOTOR POOL OFFICE	29310 THE OLD RD, CASTAIC 91384	397	262 OWNED	NONE
4504	PCHS DT CTR-NURSERY OFFICE	29310 THE OLD RD, CASTAIC 91384	1629	1230 OWNED	NONE
X127	PCHS DT CTR-RANGE MASTER'S OFFICE	29310 THE OLD RD, CASTAIC 91384	665	362 OWNED	NONE
1936	PCHS DT CTR-REHABILITATION OFFICE	29310 THE OLD RD, CASTAIC 91384	4477	3823 OWNED	NONE
2444	PCHS DT CTR-TRUCK SCALE BUILDING	29310 THE OLD RD, CASTAIC 91384	54	40 OWNED	NONE
3733	PCHS DT CTR-WASTE DISPOSAL PLANT OFFICE	29310 THE OLD RD, CASTAIC 91384	760	266 OWNED	NONE
4085	PUBLIC LIBRARY-NEWHALL LIBRARY	22704 W 9TH ST, SANTA CLARITA 91321	4842	3432 OWNED	NONE
F487	PW FLOOD-SANTA CLARA MAINTENANCE CREW OFFICE	21014 GOLDEN TRIANGLE RD, SANTA CLARITA 91351	125	112 OWNED	NONE
A920	BOARD OF SUP-5TH DISTRICT FIELD OFFICE	23920 W VALENCIA BLVD, SANTA CLARITA 91355	1224	1026 LEASED	NONE
A524	DCFS-REGION VIII SANTA CLARITA SERVICES	28490 AVE STANFORD, SANTA CLARITA 91355	32743	29469 LEASED	NONE
5541	PUBLIC LIBRARY-VALENCIA LIBRARY	23743 W VALENCIA BLVD, SANTA CLARITA 91355	24144	19245 OWNED	NONE
5542	SANTA CLARITA ADMINISTRATIVE CENTER BUILDING	23757 W VALENCIA BLVD, SANTA CLARITA 91355	22767	20427 OWNED	NONE
5543	SANTA CLARITA COURTHOUSE	23747 W VALENCIA BLVD, SANTA CLARITA 91355	32950	17979 OWNED	NONE

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BA FORM 09/09

BOARD OF
SUPERVISORS
OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF PUBLIC LIBRARY

DEPT'S.
NO. 461

June 6, 2012

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2011-2012

4 - VOTES

SOURCESUSES

(See attachment)

\$8,022,000

(See attachment)

\$8,022,000

SOURCES TOTAL: \$ 8,022,000

USES TOTAL: \$ 8,022,000

JUSTIFICATION

To transfer funds from the Public Library's Developer Fee Budget (\$1,870,000) and the Stevenson Ranch Capital Project Fund (\$2,141,000) into the Public Library's Operating Budget Services and Supplies and Other Charges to fund the Castaic's lease payments, tenant improvements, FFE (furniture, fixture, and equipment), telephone systems, and opening day collection.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Angela Lanti
AUTHORIZED SIGNATURE [NAME]

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

8 JUN 19 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐ ACTION☒ RECOMMENDATION☒ APPROVED AS REQUESTED☐ APPROVED AS REVISED

AUDITOR-CONTROLLER

BY *Karen Zukawa*

CHIEF EXECUTIVE OFFICER

BY *PS*

B.A. NO. 177

*June 7 20 12**June 7 20 12*

SEND 6 COPIES TO THE AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES
BUDGET ADJUSTMENT

FISCAL YEAR 2011-12

4-Votes

FINANCIAL SOURCES

Public Library Developer Fee Area 1

BM1-PL-2000-55381
Services & Supplies
Decrease Appropriation \$ 1,870,000

Public Library
Stevenson Ranch Library
A01-CP-6014-65044-77602
Capital Assets-Building and Improvements
Decrease Appropriation \$ 2,141,000

Public Library
B06-PL-96-9911-41200
Operating Transfer In
Increase Revenue 4,011,000

TOTAL \$ 8,022,000

FINANCIAL USES

Public Library Developer Fee Area 1

BM1-PL-6100-55381
Other Financing Uses
Increase Appropriation \$ 1,870,000

Project and Facility Development
A01-CF-6100-10190
Other Financing Uses
Increase Appropriation \$ 2,141,000

Public Library
B06-PL-2000-41200
Services and Supplies
Increase Appropriation 4,011,000

TOTAL \$ 8,022,000

To transfer funds from the Public Library's Developer Fee Budget (\$1,870,000) and the Stevenson Ranch Capital Project Fund (\$2,141,000) into the Public Library's Operating Budget Services and Supplies to fund the Castaic's lease payments, tenant improvements, FFE (furniture, fixture, and equipments), telephone systems, and opening day collection.

BA177 Karen Shtuma 6/7/12

AMENDMENT NO. 1 TO LEASE NO.76453

PUBLIC LIBRARY

27971 SLOAN CANYON ROAD, CASTAIC

This Amendment No. 1 to Lease No. 76453 ("Amendment" or "Amendment No. 1") is made and entered into this 19th day of June, 2012 by and between Castaic FCG Properties, LLC, a Texas Limited Liability Company hereinafter referred to as "Landlord," and COUNTY OF LOS ANGELES, a body politic and corporate, hereinafter referred to as "Tenant".

RECITALS:

WHEREAS, Landlord, successor in interest to NNN Castaic Town Center, LLC, NNN Castaic Town Center 1, LLC, NNN Castaic Town Center 2, LLC, NNN Castaic Town Center 3, LLC, NNN Castaic Town Center 4, LLC, NNN Castaic Town Center 5, LLC, NNN Castaic Town Center 6, LLC, NNN Castaic Town Center 7, LLC, NNN Castaic Town Center 8, LLC, NNN Castaic Town Center 9, LLC, NNN Castaic Town Center 10, LLC, NNN Castaic Town Center 11, LLC, NNN Castaic Town Center 12, LLC, NNN Castaic Town Center 14, LLC, NNN Castaic Town Center 15, LLC, NNN Castaic Town Center 16, LLC, NNN Castaic Town Center 17, LLC, NNN Castaic Town Center 20, LLC, NNN Castaic Town Center 21, LLC, NNN Castaic Town Center 22, LLC, NNN Castaic Town Center 23, LLC, NNN Castaic Town Center 24, LLC, NNN Castaic Town Center 25, LLC, NNN Castaic Town Center 26, LLC, NNN Castaic Town Center 27, LLC, each one a Delaware limited liability company, acting by and through Landlord's agent Triple Net Properties Realty, Inc. ("Agent") and Tenant entered into Lease No. 76453 dated January 15, 2009 ("Lease"), pursuant to which Landlord leased to Tenant those certain premises located in a building at 27971 Sloan Canyon Road, Castaic, California, ("Building") more particularly described as approximately 6,985 rentable square feet of store space; and

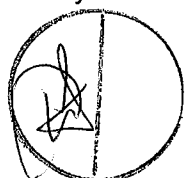
WHEREAS, the parties now wish to amend the Lease in certain respects.

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree the following amendments are effective upon the date first above written:

1. Paragraph 1(c) of the Lease, titled "Premises," is hereby deleted and the following inserted in substitution:

(c) Premises:

"Premises 1" shall be approximately 6,985 rentable square feet in the Building as shown on Exhibit A attached hereto and incorporated herein by this reference. The parties acknowledge that Tenant currently occupies Premises 1, subject to the initial lease term, prior to the commencement date of the term provided by Amendment No. 1.



"Premises 2" shall be approximately 2,045 rentable square feet in the Building as shown on Exhibit A.

"Premises 3" shall be approximately 3,202 rentable square feet in the Building as shown on Exhibit A.

The term "Premises" as used herein shall refer to Premises 1, Premises 2 and Premises 3, collectively.

2. Paragraph 1(e) of the Lease, titled "Term," is hereby amended to extend the term of the lease by exercising the County's first five (5) year option through October 14, 2023, following the commencement date of delivery of the additional Premises 2 and Premises 3.

3. Paragraph 1(i) of the Lease, titled "Rent," is hereby deleted and the following inserted in substitution:

(i) Base Rent:

Premises 1 Base Rent shall be \$14,921.95 per month (which is based upon a rental rate of \$2.046 per rentable square foot), adjusted only as provided in Section 33 of the Lease. Operating Expense Rent per month shall be \$4,889.50 (which is based upon a rental rate of \$0.70 per rentable square foot), and adjusted only as provided in Section 34 of the Lease.

Premises 2 Base Rent shall be \$4,184.07 per month (which is based upon a rental rate of \$2.046 per rentable square foot), adjusted only as provided in Section 33 of the Lease. Operating Expense Rent per month shall be \$1,431.50 which is based upon a rental rate of \$0.70 per rentable square foot), and adjusted only as provided in Section 34 of the Lease.

Premises 3 Base Rent shall be \$6,551.29 per month (which is based upon a rental rate of \$2.046 per rentable square foot), adjusted only as provided in Section 33 of the Lease. Operating Expense Rent shall be \$ 2,241.40 per month which is based upon a rental rate of \$0.70 per rentable square foot), and adjusted only as provided in Section 34 of the Lease.

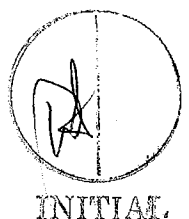
4. Paragraph 1(k) of the Lease, titled "Rentable Square Feet in the Premises," is hereby deleted and the following inserted in substitution:

(k) Rentable Square Feet in the Premises: 12,232

5. Paragraph 1(n) of the Lease, titled "Parking spaces," is hereby deleted and the following inserted in substitution:

(n) Parking Spaces:

Premises 1 approximately 30 spaces



Premises 2 approximately 8 spaces

Premises 3 approximately 16 spaces

6. Paragraph 1.2(a) of the Lease, titled "Base Tenant Improvement Allowance," is hereby deleted and the following inserted in substitution thereof:

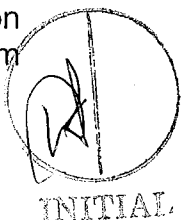
(a) Allowances:

Improvement Allowance. Tenant shall be entitled to a one-time improvement allowance (the "Improvement Allowance") in the amount of \$1,968,120 (i.e., \$165.00 per rentable square foot of the Premises) for costs relating to the initial design and construction of Tenant's improvements as defined in Addendum B to Landlord's Work Letter, attached hereto and incorporated herein by this reference (the "Improvements"). If Tenant exercises said right to use all or any portion of the Improvement Allowance, then Tenant shall repay the Improvement Allowance to Landlord, or his designee, to a maximum of One Million Five Hundred Forty Thousand (\$1,540,000) Dollars for the Improvement Allowance funds actually expended. Tenant shall make lump sum payments, within 30 days of invoice submittal, of funds actually expended by Landlord or his designee throughout construction, and final invoices shall be submitted and paid in a lump sum within thirty (30) days after the effective date of Commencement of this Amendment.

Additional Allowance. Notwithstanding any contrary provision contained in Section 2.1.1 hereof, Tenant may elect, at any time prior to or during construction of the Tenant Improvements, pursuant to a written notice delivered to Landlord (the "Additional Allowance Notice"), to receive a one-time increase (the "Additional Allowance") of the Tenant Improvement Allowance in an amount not to exceed \$244,640 (i.e., \$20.00 per rentable square foot of the Premises), in the aggregate, for costs relating to the design and construction of the Improvements, furniture, telephone installation and low-voltage installation.

If Tenant exercises said right to use all or any portion of the Additional Allowance (and/or Maximum Change Order Allowance, as applicable), then Tenant shall repay the Additional Allowance (and/or Maximum Change Order Allowance, as applicable) to Landlord, or his designee, in a lump sum which shall become due and payable to Landlord or designee within thirty (30) days after the effective date of Substantial Completion (as defined hereafter) of this Lease. In the event that Tenant elects to utilize all or a portion of the Additional Allowance (and/or Maximum Change Order Allowance, as applicable), then (a) all references in Exhibit B to "Improvement Allowance" shall be deemed to include the Additional Allowance (and/or Maximum Change Order Allowance, as applicable) which Tenant elects to utilize, (b) the parties shall promptly execute a Memorandum of Tenant Improvement Allowances, which may be signed on behalf of Tenant by its Director of Real Estate or designee.

Change Order Allowance. Tenant may elect, at any time during the construction of the Improvements, pursuant to a written notice delivered to Landlord (the "Maximum




Change Order Notice"), to receive a one-time allowance (the "Maximum Change Order Allowance") in an amount not to exceed \$183,480, in the aggregate, for costs relating to Tenant's requested changes ("Change Orders") to the Construction Drawings (as defined hereafter) or the Improvements. Tenant is entitled to make only those changes to the Construction Drawings and the Improvements which are approved in advance, in writing by Landlord, or his designee, and Tenant shall be responsible for any Tenant Delay resulting from any such Change Orders. The Maximum Change Order Allowance has been authorized by the Board of Supervisors of the County to be used to pay the costs of all authorized Change Orders, but only the Chief Executive Office ("CEO") is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the Maximum Change Order Allowance. Each Change Order must be signed and dated by an authorized CEO official. Upon Tenant's written request, Landlord, or his designee, shall provide Tenant with (i) the specific cost of the requested change, (ii) the cumulative net total cost of all approved Change Orders, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Tenant shall be responsible for submitting all Change Order requests to the CEO for its approval.

Tenant acknowledges and agrees that the Landlord, or his designee, shall have no obligation to proceed with a Change Order until Landlord, or his designee, receives a Change Order approved by the CEO in accordance with the terms of this Section 2.1.3. Tenant shall elect to repay to Landlord, or his designee, the portion of the Maximum Change Order Allowance used by Tenant in a lump sum within thirty (30) days after the effective date of Commencement of this Lease.

Additional Costs That Are Not Tenant Improvement Costs. In the event that the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act ["ADA"]), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred had the Building been in compliance with such codes, such costs shall not be included in the calculation of Tenant Improvement Costs (as defined hereafter) and Tenant shall have no financial responsibility for such costs.

Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, operational shall be at Landlord's sole cost and expense. Costs of upgrades to the operational heating, ventilation and air conditioning ("HVAC") and electrical systems identified in Exhibit A to the Lease and Addendum B hereto shall be funded via the Tenant Improvement Allowances. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including without limitation, all expenses associated with curing any "Sick Building Syndromes," as the term is commonly used, (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of chlorofluorocarbon ("CFC") refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or



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electrical requirements set forth in the Lease except for those set forth in Exhibit A to the Lease and Addendum B hereto.

Disbursement of the Improvement Allowance. Except as otherwise set forth in this Landlord's Work Letter, the Improvement Allowance shall be disbursed by Landlord, or his designee, (and each disbursement shall be made pursuant to Landlord's, or his designee's, disbursement process) for costs related to the construction of the Improvements and for the following items and costs (collectively, the "Improvement Allowance Items"): (i) payment of the fees of the "Architect" and the "Engineers," as those terms are defined in Section 3.1 of this Landlord's Work Letter, and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord's consultants in connection with the preparation and review of the "Construction Drawings," as that term is defined in Section 3.1 of this Landlord's Work Letter; (ii) the cost of permits; (iii) the cost of any changes to the Construction Drawings or Improvements required by applicable building codes (collectively, "Code"); and (iv) the "Landlord Coordination Fee," as that term is defined in Section 4.3.2 of the Landlord's Work Letter. However, in no event shall more than thirty and 00/100 dollars (\$30.00) per usable square foot of the Improvement Allowance be used for the aggregate cost of items described in (i) and (ii) above; any additional amount incurred as a result of (i) and (ii) above shall be deemed to constitute an Over-Allowance Amount (as defined below).

7. Landlord's Improvements to Premises 1. Tenant shall vacate Premises 1 and relocate to another currently vacant space in the Property provided on an as-is basis by Landlord, as shall be mutually agreed upon by Tenant and Landlord. Landlord shall then construct in Premises 1, at Landlord's expense, additional improvements of the same type and quality (except as otherwise set forth in Amendment No. 1) as the improvements constructed by Landlord for Tenant in Premises 1 pursuant to the original Lease. Such work for the Premises 1 shall be performed in accordance with the outline specifications in Landlord's Work Letter, which was executed concurrently with and forms part of, the Lease.

8. Landlord's Improvements to Premises 2 and Premises 3. Prior to tendering to Tenant possession of Premises 2 and Premises 3, Landlord shall first construct in Premises 2 and Premises 3, at Landlord's expense, improvements of the same type and quality (except as otherwise set forth in this Amendment No. 1) as the improvements constructed by Landlord for Tenant in Premises 1 pursuant to the original Lease (the "Premises 2 Work" and "Premises 3 Work," respectively, and the "Premises 2 and Premises 3 Work" collectively). Said Premises 2 and Premises 3 Work shall be performed in accordance with the outline specifications in Landlord's Work Letter, which was executed concurrently with and forms part of, the Lease.

Landlord shall commence the Premises 1, Premises 2 and Premises 3 Work (collectively, the "Premises Work") by applying for a building permit to construct the Premises Work within 30 days after receipt from an architect of a complete set of plans and no later than November 1, 2012 and execution of this Amendment No. 1. Landlord shall perform the Premises Work in accordance with the following provisions of the



Landlord's Work Letter, which for purposes of the Premises Work, is modified and incorporated by reference herein for this transaction as follows:

(A) Within 10 days after the commencement of the Premises Work, Landlord shall advise Tenant in writing of the estimated time of completion of such work if it is beyond a four-month estimate.

(B) Rent shall continue at the current rental rate and terms for Premises 1 during the time of Premises Work to Premises 1. Rent on Premises 2 and Premises 3 shall commence upon Substantial Completion of Premises 2 and 3, as defined hereinafter.

The Premises Work, when completed, shall meet all applicable City, County, State, and Federal building codes, regulations and ordinances required for beneficial occupancy. Any work, including construction, that Landlord must undertake to obtain the necessary jurisdictional approvals for occupancy shall be at Landlord's sole cost and expense.

(C) Completion of the Premises Work may be delayed by:

(1) Reasonable acts or omissions of Tenant or of any employees or agents of Tenant (including change orders in the work), or


(2) Any Act of God which Landlord could not have reasonably foreseen and provided for, or

(3) Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and could not reasonably have foreseen and provided for, or

(4) Any war or declaration of a state of national emergency, or

(5) Unavailability of labor or materials or the imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Premises Work.

(D) If Landlord fails to obtain the building permit for the Premises Work in a reasonable time, taking all factors into consideration, or if said work has not been substantially completed within 180 days from the estimated time of completion provided by Landlord pursuant to this Section 35(A), which period shall be extended for a reasonable time for delays enumerated in items (C)(1) through (5) of this Section 10, then Tenant may, at its option, cancel the Lease as to Premises 3 (but not the entire Lease) upon 30 days written notice to Landlord unless the Premises 3 Work is completed within such 30-day period. In the event of any such cancellation as to Premises 3, the provisions in this Amendment No. 1 regarding the Base Rent, Improvement Allowances, and Parking Spaces shall be adjusted to delete the portion of such items attributable to the cancelled space, without need for a formal written amendment to the Lease.


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The Premises Work shall be deemed to have met "Substantial Completion" when the Premises Work has been completed to such a degree that Premises (collectively) can be occupied for the purpose leased (public library use) as determined at the sole discretion of the Tenant, and Landlord has obtained a final or temporary certificate of occupancy, or final inspection approval, or any other comparable approval by applicable governmental authorities for the legal occupancy of Premises. "Substantial Completion" shall not require the completion of "punch list" items, but Landlord shall diligently pursue the completion of such items.

Tenant shall provide, install and maintain, at Tenant's expense, its own telecommunications and data system for Premises 2 and Premises 3, and Landlord shall have no obligation or expense in connection with such system.

9. Option to Purchase the Property. Tenant shall have the option to purchase the Premises, which is described in Section 1 hereof and Exhibit B hereto, on the terms and conditions set forth in the Option Agreement attached hereto as Exhibit J and incorporated herein by this reference. The parties agree that if within 12 months of commencement date of this Lease Amendment No. 1, Tenant does not purchase the property as outlined in the Option Agreement, the Option Agreement shall become null and void.

10. Interpretation of Lease and Amendment No. 1. If there are any inconsistencies, variances or differences between any provision of the Lease and a provision of this Amendment No. 1, the provisions of this Amendment No. 1 will prevail and control. The Lease, as amended, is ratified, confirmed and approved. The terms "include" and "including" are not limiting and include the concept of "including but not limited to."

11. Exhibits.

The following exhibits are attached to this Amendment No. 1 and incorporated herein by this reference.

A circular stamp containing a handwritten signature. Below the signature, the word "INITIAL" is printed in a bold, sans-serif font.

IN WITNESS WHEREOF, Landlord has executed this Amendment No. 1 or caused it to be executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment No. 1 to be executed on its behalf by the Chairman of said Board and attested by the Clerk thereof the day, month, and year first above written.

LANDLORD

By: Castaic FCG Properties, LLC a Texas Limited Liability Company

By:

David Schaeffer, Manager

ATTESTED:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By:

Lachelle Smitherman
Deputy



I hereby certify that pursuant to
Section 26103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: Lachelle Smitherman
Deputy

TENANT

COUNTY OF LOS ANGELES

By:

Ben Yaroslansky
Chairman, Board of Supervisors

APPROVED AS TO FORM:

JOHN F. KRATTLI
COUNTY COUNSEL

By

[Signature]
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

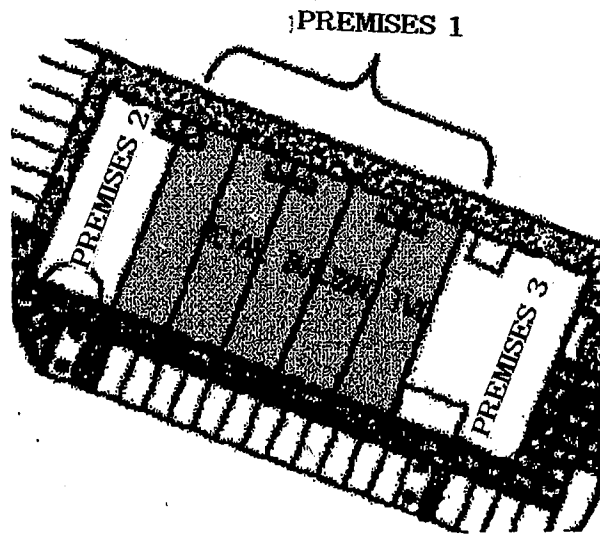
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JUN 19 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

76453 Supplement No. 1

EXHIBIT "A" - 1
FLOOR PLAN



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LANDLORD'S WORK LETTER

This Landlord's Work Letter shall set forth the terms and conditions relating to the tenant improvements in the Premises. This Landlord's Work Letter is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise.

SECTION 1

LANDLORD'S INITIAL CONSTRUCTION IN THE PREMISES

Landlord has constructed, at its sole cost and expense, the base, shell and core (i) of the Premises, and (ii) of the floor of the property on which the Premises is located, as set forth in Addendum A attached hereto and incorporated herein by this reference (collectively, the "Base, Shell and Core"). The improvements to be initially installed in the Premises shall be designed and constructed pursuant to this Landlord's Work Letter. Any costs of initial design and construction of any improvements to the Premises shall be an "Improvement Allowance Item," as that term is defined in Section 2.2 of this Landlord's Work Letter.

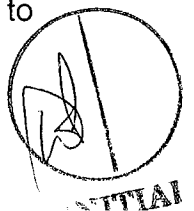
SECTION 2

ALLOWANCES; IMPROVEMENTS

2.1 Allowances.

2.1.1 Improvement Allowance. Tenant shall be entitled to a one-time improvement allowance (the "Improvement Allowance ") in the amount of \$1,540,000 (i.e., \$125.00 per rentable square foot of the Premises) for the costs relating to the initial design and construction of Tenant's improvements as defined in Addendum B to Landlord's Work Letter attached hereto and incorporated herein by this reference (the "Improvements"). If Tenant exercise such right to use all or any portion of the Improvement Allowance then Tenant shall repay the Improvement Allowance to Landlord, or his designee, to a maximum of One Million Five Hundred Forty Thousand (\$1,540,000) Dollars for the Improvement Allowance funds actually expended. Tenant shall make lump sum payments, within 30 days of invoice submittal, of funds actually expended by Landlord or his designee throughout construction, and final invoices shall be submitted and paid in a lump sum within thirty (30) days after the effective date of Commencement of this Lease

2.1.2 Additional Allowance. Notwithstanding any contrary provision contained in Section 2.1.1 hereof, Tenant may elect, at any time prior to or during construction of the Tenant Improvements, pursuant to a written notice delivered to Landlord (the "Additional Allowance Notice"), to receive a one-time increase (the "Additional Allowance") of the Tenant Improvement Allowance in an amount not to



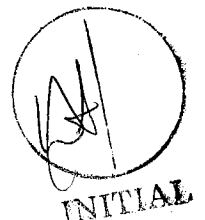
exceed \$244,640 (i.e., \$20.00 per rentable square foot of the Premises), in the aggregate, for costs relating to the design and construction of the Improvements, furniture, telephone and low voltage.

If Tenant shall exercise such right to use all or any portion of the Additional Allowance (and/or Maximum Change Order Allowance, as applicable), then Tenant shall repay the Additional Allowance (and/or Maximum Change Order Allowance, as applicable) to Landlord, or his designee, in a lump sum which shall become due and payable to Landlord or designee within thirty (30) days after the effective date of Substantial Completion of this Lease. In the event that Tenant shall elect to utilize all or a portion of the Additional Allowance (and/or Maximum Change Order Allowance, as applicable), then (a) all references in this Exhibit "B" to "Improvement Allowance" shall be deemed to include the Additional Allowance (and/or Maximum Change Order Allowance, as applicable) which Tenant elects to utilize, (b) the parties shall promptly execute a Memorandum of Tenant Improvement Allowances, which may be signed on behalf of Tenant by its Director of Real Estate or designee

2.1.3 Change Order Allowance. Tenant may elect, at any time during the construction of the Improvements, pursuant to a written notice delivered to Landlord (the "Additional Allowance Notice"), to receive a one-time allowance (the "Maximum Change Order Allowance") in an amount not to exceed \$183,480, in the aggregate, for costs relating to Tenant's requested changes ("Change Orders") to the Construction Drawings (as defined below) or the Improvements. Tenant shall be entitled to make only those changes to the Construction Drawings and the Improvements which are approved in advance, in writing by Landlord, or his designee, (and Tenant shall be responsible for any Tenant Delay resulting from any such Change Orders). The Maximum Change Order Allowance set forth in Section 1 has been authorized by the Board of Supervisors of the County to be used to pay the costs of all authorized Change Orders but only the Chief Executive Office ("CEO") is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the Maximum Change Order Allowance. Each Change Order must be signed and dated by the CEO. Upon Tenant's written request, Landlord, or his designee, shall provide Tenant with (i) the specific cost of the requested change, (ii) the cumulative net total cost of all approved Change Orders, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Tenant shall be responsible for submitting all Change Order requests to the CEO for its approval.

Tenant acknowledges and agrees that the Landlord, or his designee, shall have no obligation to proceed with a Change Order until Landlord, or his designee, receives a Change Order approved by the CEO in accordance with the terms of this Section 2.1.3. Tenant shall elect to repay to Landlord, or his designee, the portion of the Maximum Change Order Allowance used by Tenant in a lump sum within thirty (30) days after the effective date of Commencement of this Lease.

21.4 Additional Costs Not Tenant Improvement Costs.



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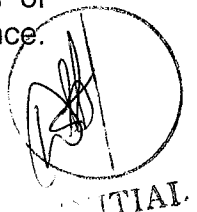
(a) In the event that the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred had the Building been in compliance with such codes, such costs shall not be included in the calculation of Tenant Improvement Costs as defined below and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, operational shall be at Landlord's sole cost and expense. Costs of upgrades to the operational HVAC and electrical systems identified in Exhibit A to the Lease and Addendum B hereto shall be funded via the Tenant Improvement Allowances. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including without limitation all expenses associated with curing any "Sick Building Syndromes" (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease except for those set forth in Exhibit A to the Lease and Addendum B hereto.

2.2 Disbursement of the Improvement Allowance. Except as otherwise set forth in this Landlord's Work Letter, the Improvement Allowance shall be disbursed by Landlord, or his designee, (each of which disbursements shall be made pursuant to Landlord's, or his designee's, disbursement process) for costs related to the construction of the Improvements and for the following items and costs (collectively, the "Improvement Allowance Items "): (i) payment of the fees of the "Architect" and the "Engineers," as those terms are defined in Section 3.1 of this Landlord's Work Letter, and payment of the fees incurred by, and the cost of documents and materials supplied by, Landlord and Landlord's consultants in connection with the preparation and review of the "Construction Drawings," as that term is defined in Section 3.1 of this Landlord's Work Letter; (ii) the cost of permits; (iii) the cost of any changes to the Construction Drawings or Improvements required by applicable building codes (the "Code "); and (iv) the "Landlord Coordination Fee," as that term is defined in Section 4.3.2 of this Landlord's Work Letter. However, in no event shall more than Thirty and 00/100 Dollars (\$30.00) per usable square foot of the Improvement Allowance be used for the aggregate cost of items described in (i) and (ii) above; any additional amount incurred as a result of (i) and (ii) above shall be deemed to constitute an Over-Allowance Amount (as defined below).

2.2.1 Tenant Improvement Costs Adjustments and Right to Audit.

Within 20 days of the issuance of a Certificate of Occupancy, or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall notify Tenant of the final Tenant Improvement costs, by executing a summarized breakdown of the total costs of the Tenant Improvements in the form of Addendum C – Memorandum of Tenant Improvement Costs attached hereto and incorporated herein by this reference.

A handwritten signature is written over a circular stamp. The stamp contains the word "INITIAL" at the bottom.

Tenant shall have the right to audit such costs for a period of 24 months from the date of Tenant's acceptance of the Premises. The Memorandum of Tenant Improvement Costs shall set forth the amount of reimbursement for the Additional Allowance plus, if applicable, the portion of the Maximum Change Order Allowance utilized.

SECTION 3

CONSTRUCTION DRAWINGS

3.1 Selection of Architect/Construction Drawings. Landlord, or his designee, shall retain, after soliciting and reviewing at least three bids, an architect/space planner (the "Architect ") to prepare the "Construction Drawings," as that term is defined in this Section 3.1. Landlord shall also retain the engineering consultants (the "Engineers ") to prepare all plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC and life safety work of the Tenant Improvements. The plans and drawings to be prepared by Architect and the Engineers hereunder shall be known collectively as the "Construction Drawings." All Construction Drawings shall comply with the drawing format and specifications as reasonably determined by Landlord, or his designee, and shall be subject to Landlord's or his designee's, reasonable approval.

3.2 Delivery of Preliminary Plans; Final Space Plan. Tenant shall deliver to Landlord, or his designee, the preliminary space plans for the Improvements on or before August 15, 2012. Based on the preliminary space plan, Landlord or his designee, and the Architect shall prepare the final space plan for Improvements in the Premises (collectively, the "Final Space Plan"), which Final Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein, and shall deliver the Final Space Plan to Landlord, or his designee, for Tenant's reasonable approval which Tenant shall provide within four (4) business days.

3.3 Final Working Drawings. Landlord, or his designee, and the Engineers shall complete the architectural and engineering drawings for the Premises, and the final architectural working drawings in a form which is complete to allow general contractors to bid on the work and to obtain all applicable permits (collectively, the "Final Working Drawings ").

3.4 Permits. The Final Working Drawings shall promptly be approved by Landlord and shall be approved by Tenant (the "Approved Working Drawings ") five (5) business days after delivery of the Final Working Drawings by Landlord, or his designee, to Tenant. Tenant hereby agrees to use its best efforts to cause the Board adoption of the Lease to occur on April 17, 2012 or as soon thereafter as is reasonably possible. Landlord shall cause the Architect, immediately following Tenant's approval, to submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to allow "Contractor," as that term is defined in Section 4.1, below, to commence and fully complete the construction of the Improvements (the "Permits "). No changes, modifications or alterations in the



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Approved Working Drawings may be made without the prior written consent of Landlord, or his designee, which consent shall not be unreasonably withheld.

3.5 Time Deadlines. Landlord or his designee, and Tenant shall use their commercially reasonable efforts and due diligence to cooperate with the Architect and the Engineers to complete all phases of the Construction Drawings and the permitting process and to receive the permits, and with Contractor for approval of the "Cost Proposal," as that term is defined in Section 4.2 of this Landlord's Work Letter, as soon as possible after the execution of the Lease, and, in that regard, Landlord, or his designee, and Tenant shall meet with the Contractor on a weekly basis to be determined by Landlord, or his designee, and Tenant, to discuss the progress in connection with the same.

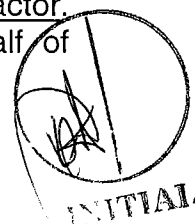
SECTION 4

CONSTRUCTION OF THE IMPROVEMENTS

4.1 Contractor. Landlord, or his designee, shall retain a general contractor for the construction of the Improvements, which Contractor shall be selected by Landlord, or his designee, and Tenant pursuant to a competitive bidding of the Improvement work by three (3) sub-contractors selected by Landlord, or his designee, and Tenant. Each sub-contractor shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord, or his designee, shall designate) to construct the Improvements. Landlord, or his designee, and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and such contractor ("Contractor") shall enter into a construction contract with Landlord consistent with the terms of the bid to construct the Improvements. 4.2 Cost Proposal. After the sub-Contractor is selected by Landlord, or his designee, and Tenant, Landlord, or his designee, shall provide Tenant with a cost proposal in accordance with the Approved Working Drawings, which cost proposal shall include, as nearly as possible, the cost of all Improvement Allowance Items to be incurred by Tenant in connection with the construction of the Improvements (the "Cost Proposal "). Tenant shall approve and deliver the Cost Proposal to Landlord, or his designee, within four (4) business days of the receipt of the same, and upon receipt of the same by Landlord, or his designee. Landlord, or his designee, shall be released by Tenant to purchase the items set forth in the Cost Proposal and to commence the construction relating to such items. The date by which Tenant must approve and deliver the Cost Proposal to Landlord, or his designee, shall be known hereafter as the "Cost Proposal Delivery Date ".

4.3 Construction of Improvements by Contractor under the Coordination of Landlord, or his designee.

4.3.1 Landlord's, or his designee's Retention of sub-Contractor. Landlord, or his designee shall independently retain sub Contractor, on behalf of



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Tenant, to construct the Improvements in accordance with the Approved Working Drawings and the Cost Proposal and Landlord, or his designee, shall coordinate the construction by sub-Contractor, and Tenant shall pay a construction coordination fee (the "Landlord Coordination Fee ") to Landlord or his designee, in an amount equal to (i) three percent (3%) of the Improvement Allowance plus, to the extent applicable, the Additional Allowance, plus, to the extent applicable, the Maximum Change Order Allowance.

4.3.2 Notice of Non-responsibility. Landlord, or his designee, and the sub-Contractor shall cooperate with Tenant in posting a notice or notices of non-responsibility by Tenant.

4.3.3 Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors which are applicable to the work, is filed with the Clerk of the Board of Supervisors and must be posted at the site.

SECTION 5

COMPLETION OF THE IMPROVEMENTS

5.1 Substantial Completion. For purposes of this Lease, "Substantial Completion" of the Improvements in the Premises shall occur in accordance with and as defined in Section 4(a) of the Lease. Prior to commencing construction, the selected Contractor shall provide Landlord and Tenant with a detailed construction schedule and "Completion Date".

5.2 Telephone/Computer Room and Equipment. Landlord, or his designee, shall complete the telephone equipment room(s), including without limitation permanent power and HVAC, in compliance with the Final Space Plan and specifications provided by Tenant, at least 30 days prior to the Completion Date. During this 30-day period, the Landlord shall be responsible for any telephone/data equipment delivered to the site for programming prior to Substantial Completion.

5.3 Delay of the Substantial Completion of the Premises. Except as provided in this Section 5, the Commencement Date and Tenant's obligation to pay rent for the Premises shall occur as set forth in the Lease. However, if there shall be a delay or there are delays in the Substantial Completion of the Improvements in the Premises as a result of the following (collectively, "Tenant Delays "):



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5.3.1 Tenant's failure to comply with any time deadlines set forth in this Landlord's Work Letter;

5.3.2 Tenant's failure to timely approve any matter requiring Tenant's approval;

5.3.3 A material breach by Tenant of the terms of this Landlord's Work Letter or the Lease;

5.3.4 Intentionally omitted;

5.3.5 Tenant's request for changes in the Approved Working Drawings or other Change Orders (including Tenant's failure to deliver an executed Change Order);

5.3.6 Tenant's requirement for materials, components, finishes or improvements which have "Long lead times" (Long lead time being defined as any item that takes longer than seven (7) weeks to receive from the time ordered), or which are different from, or not included in, the Standard Improvement Package, as described in Addendum D attached hereto;


5.3.7 Any other acts or omissions of Tenant, or its agents, or employees. Tenant shall not be responsible for any Force Majeure delays, which shall be defined as delays due to lighting, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Tenant.

5.3.8 No Tenant Delay shall be deemed to have occurred and be attributed to the Tenant unless Landlord has provided written notice to Tenant within 48 hours of the event giving rise to such claim, in compliance with this Lease. Any such notice shall specify in detail that a Tenant Delay is claimed to have occurred because of specific actions, inaction or circumstances in accordance with this Section 5. If such actions, inaction or circumstances qualify as a Tenant Delay hereunder, then a Tenant Delay shall be deemed to have occurred only commencing as of the date Tenant received such notice from Landlord, or his designee. In the event of a Tenant Delay, notwithstanding anything to the contrary set forth in the Lease or this Landlord's Work Letter and regardless of the actual date of the Substantial Completion of Improvements in the Premises, the date of Substantial Completion thereof shall be deemed to be the date that Substantial Completion would have occurred if no Tenant Delay, as set forth above, had occurred.

SECTION 6

MISCELLANEOUS

6.1 Tenant's Representative. As stated in Section 1 of this Lease, Tenant has designated Thomas Shepos of the CEO as its sole representative with

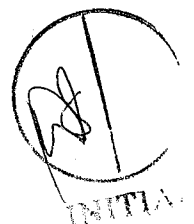


INITIALS

respect to the matters set forth in this Landlord's Work Letter, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Landlord's Work Letter.

6.2 Landlord's Representative. As stated in Section 1 of this Lease, Landlord has designated Jerry West as its sole representative with respect to the matters set forth in this Landlord's Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Landlord's Work Letter.

6.3 Time of the Essence in This Landlord's Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

A circular stamp containing a handwritten signature and the word "INITIAL" in capital letters.

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Landlord, or his designee, has constructed and shall construct, at its sole cost and expense Base Building Improvements to include the following:

(a) the Building shell and exterior, including perimeter window frames, mullions and glazing in good condition;

(b) the mechanical, electrical, sprinkler, plumbing, life safety, heating, air conditioning, ventilation and structural systems within the Building;

(c) men's and women's restrooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) concrete floors with trowelled finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(e) HVAC system and duct for cooling and heating;


(f) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required by government regulations;

(g) primary fire-life safety enunciation system "backbone" and panels as required by government regulations;

(h) electrical closet with transformer(s) providing adequate power of not less than seven (7) watts per rentable square foot;

(i) telephone closet for phone service;

(j) mechanical equipment room with ducted mechanical exhaust system.



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ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements to be constructed using the Tenant Improvement Allowances shall include:

- (a) Tenant ceilings and lighting within the Premises;
- (b) Floor finishes in the Premises;
- (c) Interior finishes of any kind within the Premises;
- (d) Interior partitions, doors and hardware within the Premises ;including beyond what currently exists additional men's and women's restrooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water
- (e) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (f) HVAC and electrical upgrades above and beyond the Base Building Improvements set forth in Addendum A hereof;
- (g) Conduits, electrical/data outlets and other electrical components sufficient for Tenant's electrical and data specifications;
- (h) Any and all signs for Tenant and the power therefor;
- (i) After-hours HVAC system, separate from main Base Building HVAC system, for telephone/computer room;
- (j) Low voltage security, fire and life-safety systems, CCTV, alarm, phone, computer and/or access control systems.



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ADDENDUM C To Landlord's Work Letter

Memorandum of Tenant Improvement Costs

This Agreement is dated this _____ day of _____, 2012, for reference purposes only, by and between Landlord, _____, and Tenant, COUNTY OF LOS ANGELES.

The parties hereto have entered into a Lease dated as of _____ (the "Lease") for the leasing by Landlord to Tenant of premises in the building located at 27971 Sloan Canyon Road, Castaic ("the Premises").

Landlord and Tenant hereby confirm the following:

A. The final total cost of the tenant improvements is (\$_____).

This is comprised of:

Lease Budget		<u>Actual Cost</u>
\$	Tenant Improvement Allowance	\$_____
\$	Additional Tenant Improvement Allowance	\$_____
\$	Change Order Allowance	\$_____
\$	Total	\$_____

IN WITNESS WHEREOF, Lessor and Lessee have respectfully signed this Agreement.

Landlord:

By:

Its: _____

Tenant:

COUNTY OF LOS ANGELES

By _____

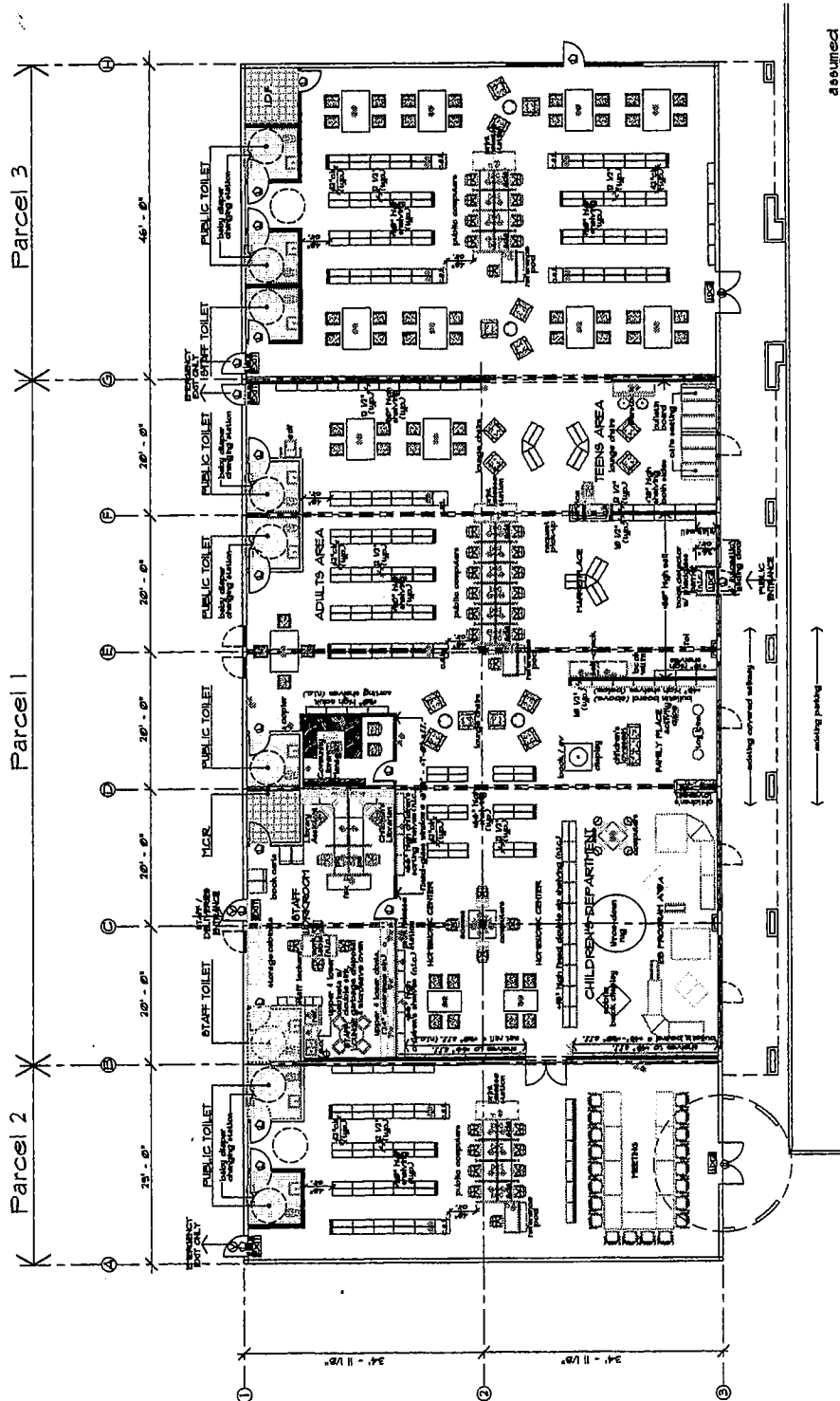


ADDENDUM D To Landlord's Work Letter

Building Standard Specifications

See Attached Castaic Library (Sloan Canyon Road) Outline Specifications





FLOOR PLAN
Scale: 1/8" = 1' - 0"

- LEGEND:**
- existing wall to be removed
 - new full-height, sound-insulated wall
 - new partial height wall - see plan for height
 - existing door to be removed
 - new solid-core door
 - door viewport
 - door lock (new or existing)
 - 66"-10" high furniture systems panel
 - furniture systems glass insert (top tile)
 - 52"-56" high furniture systems panel
 - 32"-42" high furniture systems panel
 - 32"-32" high furniture systems panel
 - existing duplex electrical wall outlet
 - new duplex electrical wall outlet
 - for electric electrical panel outlet (or as listed)
 - new floor power monument
 - existing voice/data wall outlet
 - new voice/data wall outlet
 - new voice/data panel outlet
 - new floor data monument
 - electric drinking fountain
 - fire extinguisher cabinet
 - (n/a) not in contract

THE NO. 26 - 07
SHEET NO. 1

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
REAL ESTATE DIVISION
FACILITIES DESIGN
222 South Hill Street, Los Angeles, California 90021



CASTAIC LIBRARY
PROPOSED EXPANSION
27971 SLOAN CANYON ROAD,
CASTAIC, CA 91384

INFORMATION
PROJECT NO. 26-07
SHEET NO. 1
DATE 1/6/72
BY [Signature]
CHECKED BY [Signature]
APPROVED BY [Signature]

DATE 1/6/72
BY [Signature]
CHECKED BY [Signature]
APPROVED BY [Signature]

OUTLINE SPECIFICATIONS

FOR

PUBLIC LIBRARY

27971 SLOAN CANYON ROAD
CASTAIC, CA 91384



COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

REAL ESTATE DIVISION

FACILITIES SPACE DESIGN

222 SO. HILL STREET,

LOS ANGELES, CA 90012

FILE NO. 26 - 07

Contact: Jim Allen
TELEPHONE: (562) 940-4145
jallen@library.lacounty.gov

January 23, 2012

DIVISION 1 – GENERAL REQUIREMENTS:

1. The Landlord shall provide tenant improvements as described herein to provide a “turn-key” space for the Castaic Library.
2. The Landlord and his/her Architect shall consider the following Outline Specifications and Preliminary Drawings prepared by the County of Los Angeles, Chief Executive Office, as showing the County’s functional utilization of space and general requirements of materials and quality of workmanship. The Outline Specifications and Preliminary Drawings are not definitive as to absolve the Lessor and his Architect and General Contractor from addressing any and all governing code requirements.
3. Scope of work shall include all labor, materials, supplies, equipment, services, specialties, transportation, and the cost thereof, required to complete tenant improvements.
4. Tenant improvements shall conform to the requirements of all governing building, plumbing, mechanical, and electrical codes, and any and all other applicable requirements including State of California Administrative Code and The Americans With Disabilities Act. The Lessor shall be responsible for obtaining all necessary permits.
5. Project shall be designed to incorporate County’s voice, data, and low voltage requirements. See plans and specifications prepared by the County of Los Angeles, Internal Services Department, Information Technology Service, and the Communications / Low Voltage Specification for County of Los Angeles Public Library.
6. Upon approval of tenant improvement construction drawings issuance of building permit, premises shall be turned over to the licensed Contractor who shall be fully responsible for the project until the work is complete and has been accepted by the Lessor and approved by the County.
7. Upon completion of construction, Contractor shall wash all windows, sweep, wash and/or polish all floors, and vacuum (and shampoo if necessary) all carpeting. Contractor shall remove all trash and debris from the project site.
8. Submittals:
 - A. Construction Drawings: Submit five (5) sets of blackline prints to County for review and approval prior to construction.
 - B. Shop Drawings and Material Submittals: Submit to County for approval prior to order and/or fabrication.
 - C. As-Builts: Upon completion of project, submit one set of revised/updated contract documents on an electronic drawing file in a CD laser disk format.
 - D. Permits: Upon completion of project, submit copies of all permits, inspection cards, and certificates of occupancy.
 - E. Miscellaneous: Submit two (2) copies of all warranties, operation manuals, and other pertinent information to County upon completion of project.



DIVISION 2 – SITE WORK:

1. Provide parking as required in the lease documents.
2. Modify site as required for drive-up book return at location directed by County. (Book return to be provided and installed by County).

DIVISION 3 – CONCRETE:

- (No specific requirements).

DIVISION 4 – MASONRY:

- (No specific requirements).

DIVISION 5 – METALS:

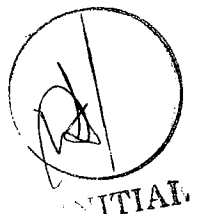
- (No specific requirements).

DIVISION 6 – WOOD AND PLASTICS:

- Architectural Woodwork:
 - A. All cabinetry and millwork shall conform to the requirements of the Woodwork Institute, "Custom" grade, flush overlay construction.
 - B. Cabinet faces, sides, and trim shall be plastic laminate facing, Wilsonart or Formica.
 - C. All cabinetry and millwork shall comply with accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
 - D. Submit shop drawings to County for approval prior to fabrication.
 - E. Provide new cabinetry at locations shown on Preliminary Drawings:
 - Staff Lounge: 24" d. counter with plastic laminate top and splash and bullnose edge, and upper and lower cabinets with adjustable shelves.
 - Staff Workroom: 30" d. counter with plastic laminate top and splash and bullnose edge, with upper and lower cabinets with adjustable shelves.

DIVISION 7 – THERMAL AND MOISTURE PROTECTION:

- New walls to be sound-insulated:



- A. Provide full-height (floor to underside of roof structure) sound-insulation at demising walls at adjacent suites; verify STC rating with County.
- B. Provide full-height (floor to underside of ceiling) sound-insulation at interior walls.

DIVISION 8 – DOORS, WINDOWS AND GLAZING:

1. Doors:

- A. New interior doors shall be solid-core construction.
- B. New door frames shall be pressed steel.
- C. Provide fire-rated assemblies, as required by code.
- D. Provide floor-mounted doorstops throughout.
- E. Levers and locks shall be "Heavy-Duty Commercial" type.
- F. Provide panic hardware, as required by code. Emergency exit doors to be equipped with Von Duprin Series #99, Series #33, or similar Detex alarm-type panic hardware.
- G. Provide door locks at locations shown on Preliminary Drawings.
- H. Provide access control keypads at locations indicated by County; see plans and specifications prepared by County Internal Services Department, Information Technology Service.
- I. Provide viewports at locations shown on Preliminary Drawings.
- J. Doors and door hardware shall comply with the accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
- K. Provide kickplate at Staff Workroom doors, inside swing (two required).
- L. Provide and install 4 ft. wide automatic telescoping glass pocket door at Public Entrance.

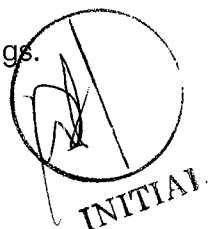
2. Windows and Glazing:

- A. Provide fixed tempered glass windows at Staff Workroom and Community Library Manager; frames to match door construction.

DIVISION 9 – FINISHES:

1. Carpet:

- A. Install new carpet throughout, unless otherwise indicated on Preliminary Drawings.



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- B. Carpet shall be textured, patterned modular carpet tile, 24oz. minimum yarn weight throughout. Allow for up to four (4) patterns.
 - C. Specify Tandus. Refer to Public Library's carpet specifications.
2. Vinyl Tile:
- A. Install vinyl tile at locations shown on Preliminary Drawings.
 - B. Install static-dissipative tile in Main Communications Room.
 - C. Specify Armstrong "Excelon Premium" and Armstrong "SDT", or approved equal.
3. Topset Base:
- A. Install 4" vinyl topset base at all new and existing walls and cabinet bases in rooms scheduled to receive carpet or vinyl tile.
 - B. Specify Burke Mercer, or approved equal.
4. Ceramic Tile:
- A. Install new ceramic tile at public entrance and at electric drinking fountain.
 - B. Repair/replace existing ceramic tile at Custodian as required.
 - C. Specify Dal-Tile, or approved equal.
5. Paint:
- A. Paint all new interior spaces including, but not limited to walls, drywall ceilings, doors, and trim.
 - B. Provide one base color and up to four (4) accent colors:
 - Reading Area, Community Library Manager & Staff Workroom: semi-gloss.
 - Staff Lounge: semi-gloss
 - C. Specify Dunn Edwards, or approved equal.
6. Ceilings:
- A. Replace stained or damaged ceiling tiles as required to create a clean, uniform appearance throughout all areas; match existing tiles.
7. Window Coverings:
- Install new vertical blinds at all exterior windows, Levolor or similar.

Contact Jim Allen, (562) 418-8612, for all color and finish selections, (to be provided by Public Library).

DIVISION 10 – SPECIALTIES:

1. Signage:
 - A. Provide and install all necessary or required exit, occupant load, disability, toilet room signs.
 - B. Allow \$20,000 for additional interior and exterior signage.
2. Toilet Accessories:
 - A. Replace all damaged or missing grab bars and/or paper towel, tissue, soap, and sanitary napkin dispenser/disposal units in existing restrooms; Bobrick or similar.
 - B. Provide and install baby diaper changing stations in Public Toilets; Bobrick or equal.
3. - Install metal shelving, 15" deep, in Custodian.

DIVISION 11 – EQUIPMENT:

Provide and install at Staff Lounge:

- A. Microwave oven, counter-mounted; product submittal to be approved by Public Library prior to purchase and installation.
- B. Refrigerator (full size); product submittal to be approved by Public Library prior to purchase and installation.
- C. Garbage disposal.

DIVISION 12 – FURNISHINGS:

1. Lessor shall purchase, order, and install modular systems furniture and casegoods at the following locations shown on Preliminary Drawings:
 - Community Library Manager
 - Library Assistant
 - Children's Librarian
 - Reference Pod
 - Public Computers (12 required)
2. Lessor shall be responsible for coordination of the delivery and installation of the furniture with the general building improvements, including the hot-wire connections to the building's electrical and telecommunications systems.



3. Lessor shall obtain a proposal from the following furniture dealer, specifying "MCallister Office Pavilion" product, and submit it to the County for review prior to order:

Interior Office Solutions. Contact Wendy Massa, Business Development Manager, 23501 Park Sorrento. Suite 204, Calabassas, CA 91302 (818) 591-3200 www.mccallisterop.com

4. Provide the following:

- A. Panels: "Enhanced Premise" panels, 3" thick, tiled acoustic, Grade 2 or B fabric, with glass inserts, with top cap and filler posts. See Preliminary Drawings for panel heights and glass locations.
- B. Work Surfaces: laminate top with radiused-edge detail; with grommots or clearance for cable access.
- C. Overhead Cabinet: painted, lockable, with task light, and tackable panel.
- D. Pedestal Drawers: full-depth, lockable, with utility tray (@ 6/6/12 drawers).
- E. Task Chairs: "Improv" mid-back, pneumatic, with seat and arm adjustment; non-upholstered arms; Grade 2 or B fabric.
- F. Management Chair "Improv" high-back, pneumatic, with upholstered arms and back; (private office) Grade 3 or C fabric.
- G. Casework: "Masters Series", wood veneer top and faces, with grommots (private office)
- H. Guest Chairs: "Candor", upholstered, open wood arms, upholstered back; (private office) Grade 3 or C fabric.
- I. Keyboards: Humanscale, model #5G90090HG.

DIVISION 13 – SPECIAL CONSTRUCTION:

(No specific requirements)

DIVISION 14 – CONVEYING SYSTEMS:

(No specific requirements)

DIVISION 15 – MECHANICAL SYSTEMS:

1. Plumbing (Provide hot and cold water at all sinks):
- Remove existing water closets and lavatories in new Custodian and M.C.R. rooms.
 - Install mop sink in Custodian.



- Install double compartment, stainless steel sink, single-lever control, with garbage disposal, in Staff Lounge.

2. Heating, Ventilating and Air Conditioning System:

Heating, ventilating, and air conditioning system shall accommodate the tenant improvements. All rooms and areas shall have supply and return air, with an Energy Management System (EMS) for automatic temperature control.

Balance HVAC system after occupancy. Provide HVAC Air Balance Report to County for verification and record.

See plans and specifications prepared by the County of Los Angeles, Internal Services Department, Information Technology Service, for requirements for the M.C.R. room.

3. Fire Protection:

- A. Provide fire sprinkler and alarm system for the tenant improvements, as required by governing jurisdiction.
- B. Provide and install all fire extinguishers as required by local fire marshal, and at Staff Lounge.

DIVISION 16 – ELECTRICAL:

Note: Verify existing electrical panel locations; provide adequate clearance at each panel. Access panels to be painted to match adjacent wall colors.

1. Electrical:

- Provide convenience outlets at locations shown on Preliminary Drawings.
 - A. Provide special-use outlets for printers, copiers, refrigerators, garbage disposals, microwave ovens, self-check equipment, and other special uses. Provide dedicated circuits (20 amps) at locations directed by County.
 - B. Provide hot-wire connections for furniture system power and voice/data. Verify infeed locations with County.
 - C. Provide floor power monuments at locations shown on Preliminary Drawings.
 - D. Specify Leviton Decora Industrial Grade electrical receptacles and Leviton Decora Commercial Grade switches, wall plates, voice, data, and other devices; Color: white.
 - E. See plans prepared by the County of Los Angeles, Internal Services Department, for additional power requirements.

2. Lighting:

- A. Lighting shall accommodate the tenant improvements. Design for 50 footcandles (2 watts/square foot maximum) at 30" above finish floor for all areas excluding restrooms. Replace damaged and odd-style fixtures, and replace all lighting to create a clean, uniform look throughout all areas.
- B. Provide emergency exit lighting system as required by governing jurisdiction.

3. Telecommunications:

- A. Provide and install conduits and equipment as required by the County of Los Angeles for voice/data, intercom, public address, intrusion alarm, security, and computer network systems.
- B. Installation of all telecommunications and low voltage work, including conduits, must be in compliance with the Public Library's Communications / Low Voltage Specification for County of Los Angeles Public Library and plans and specifications prepared by the County of Los Angeles Internal Services Department, Information Technology Services.
- C. For additional information, contact Jim Allen or Alex Huang, (562) 418-8612



EXHIBIT C

OPTION AGREEMENT FOR TRANSFER OF REAL PROPERTY BY AND BETWEEN CASTAIC FCG PROPERTIES, LLC AND THE COUNTY OF LOS ANGELES

This Option Agreement ("Agreement") is made and entered into this 19th day of June 2012, by and between Castaic FCG Properties, LLC, a Texas Limited Liability Company ("Owner"), and the COUNTY OF LOS ANGELES, a body corporate and politic ("County") (individually, "Party," and collectively, the "Parties").

RECITALS:

- A. Castaic FCG Properties, LLC is the owner of that certain real property located at 27971 Sloan Canyon Road, Castaic, County of Los Angeles, State of California, as depicted and described in Exhibit "A," attached hereto and incorporated herein by this reference;
- B. Owner and County entered into a lease agreement dated January 15, 2008 ("Lease") for County to use a portion of said real property for a Public Library, Community Rooms, and other lawful purposes ("Property"). Owner and County amended the terms of said Lease through an amendment document ("Amendment No. 1"), dated June 19, 2012;
- C. Said Property used by County is comprised of approximately 1.1 acres of land, an approximately 12,232-square-foot Building (as defined in the Lease), with appurtenant parking, all easements and interests appurtenant thereto, and all intangible property owned or held in connection with the Property, including without limitation, development rights, governmental approvals and land entitlements. Said Property is depicted and described as Parcel "B" in Exhibit "A," attached hereto and incorporated by reference herein; and
- D. County desires to acquire the Property for continuing use as a Public Library, and Owner desires to grant County an option to acquire the Property in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Option Agreement.

1.1 Option. This Agreement shall constitute an option ("Option") granting County the exclusive right to acquire the Property, subject to the terms and conditions contained herein, for the period set forth herein.

1.2 Option Term. The Option shall be exercisable by County during a term (the "Option Term") commencing on the date of the execution of this Agreement, and terminating on the earlier of: (a) 30 days after the Los Angeles County Board of Supervisors' final approval of the acquisition of the Property, or (b) 18 months after the commencement of Amendment No. 1, dated June 19, 2012, between County and Owner.



1.3 Option Price. In consideration of Owner granting the Option, County agrees to tender the sum of one dollar and 00/100 cents (\$1.00) ("Option Price") to Owner within ten (10) business days of the full execution of this Agreement.

1.4 No Further Encumbrance of Property. Owner hereby agrees that it shall not encumber the Property with any leasehold interest, tenancy or occupancy, other than the Lease, and further agrees not to amend, extend, renew, or permit the holdover of any existing leasehold interests, tenancies or occupancies of the Property, or to cause or acquiesce to any further liens or encumbrances, or otherwise alter the condition of title to the Property, during the Option Term. Owner shall ensure that the Property is unencumbered by any leasehold interest, tenancy or occupancy, upon the commencement of the Lease, and shall maintain the Property in that condition to and until the end of the Option Term or any extension thereof or the Closing (as defined in Section 3 hereof), whichever occurs first.

1.5 Exercise of Option. Upon County's election to exercise this exclusive Option to acquire the Property, the Parties hereto, pursuant to the Government Code and other applicable law, shall effectuate the acquisition of the Property in accordance with the terms and conditions of this Agreement.

1.6 Purchase Price. Upon County's exercise of its Option, the purchase price ("Purchase Price") for the Property shall be two million three hundred fifty thousand dollars and 00/100 cents (\$2,350,000.00), plus the final amount of the Tenant Improvement Allowance (as defined in the Lease), if unpaid, provided to County by Owner under the Lease.

1.7 Contingencies. County's exercise of its Option is subject to the following conditions:

1.7.1 Approval of this Agreement by the Los Angeles County Board of Supervisors ("Board of Supervisors");

1.7.2 The Board of Supervisors adopting a resolution of notice of intention to purchase the property; and

1.7.3 The Board of Supervisors approving the purchase of the Property.

1.7.4 Owner obtaining mutually acceptable subdivision of the Property from the rest of Owner's adjacent property, as depicted in Exhibit "A," in accordance with Los Angeles County Regional Planning Department requirements.

1.8 Manner of Exercise of Option. Provided County is not in material default hereunder or in material default under the Lease, County may notify Owner of its intent to exercise its Option to acquire the Property by delivering written notice from County's Chief Executive Office ("CEO"), pursuant to Section 6 hereof, to Owner prior to the expiration of the Option Term. The Parties acknowledge that the actual exercise of the Option may be authorized only by the Board of Supervisors, and therefore, the actual exercise of the Option may occur after the expiration of the Option Term, so long as notice provided by the CEO, pursuant

to this section, is provided during the Option term.

- 1.9 Voluntary Termination. County may terminate this Agreement, by written notice to Owner, prior to the expiration of the Option Term if it determines, in its sole discretion, that the Property is not suitable for County's intended or contemplated use. Upon such notice, the Option and Option Term shall terminate and all rights of County in said Property, other than those provided in the Lease, shall be extinguished.


2. Condition of Property.

2.1 "As Is" Purchase. County acknowledges that the Property is being purchased "as is," solely in reliance on County's own investigation of the property and the improvements thereon and that no representations or warranties of any kind whatsoever, expressed or implied, have been made with respect to the Property by Owner. However, Owner shall bear sole responsibility for the removal and remediation of any and all contaminated materials, toxic or hazardous substances, and asbestos, if any, discovered before or after execution of the Option, on the Property, pursuant to the terms of this Agreement.

3. Transfer of Property Interest.

3.1 Escrow. Upon County's exercise of its Option, the Parties shall open an escrow ("Escrow") with Chicago Title Company, 700 South Flower Street, Suite 800, Los Angeles, California 90017, Attention: Ms. Cheryl Young, ("Escrow Holder"), and this Option shall constitute the basic escrow instructions for the purpose of consummating the transaction contemplated by this Agreement.

3.1.1 Escrow Holder is authorized to: (i) pay, and charge Owner, for any delinquent taxes, penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property through the date of Closing as defined herein, except those on which title is to be taken subject to and in accordance with the terms of this Agreement (ii) pay, and charge Owner, for any amounts necessary to place the title in the condition necessary to enable conveyance pursuant to this Agreement; excluding title insurance, documentary transfer tax (if necessary), and escrow fees; (iii) pay and charge County for all of the fees and expenses associated with escrow, including but not limited to title/escrow fees; (iv) prorate all real property taxes which constitute a lien on the Property and/or unpaid as of the close of Escrow according to the formula adopted by the Los Angeles County Assessor's Office and deduct Owner's portion from its proceeds hereunder. The tax amount withheld by the Escrow Holder, if any, shall be made payable to County Auditor-Controller's Office and remitted thereto following the Closing. Any taxes which have been prepaid by Owner shall not be prorated, but Owner shall have the sole right after Closing, to apply to the Los Angeles County Treasurer for


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refund of the taxes attributable to the period after acquisition pursuant to California Revenue and Taxation Code Section 5096.7; and (v) when conditions of Escrow have been fulfilled by Owner and County: (a) record documents of conveyance; (b) disburse the Purchase Price to Owner, less its prorations and expenses; (c) deliver copies of the Escrow closing statements to both parties; and (d) deliver any items or documents given to Escrow Holder to hold for both parties.

3.2 Execution of Additional Escrow Documents. The parties shall execute and deliver to Escrow Holder, within two (2) business days after receipt, such additional escrow instructions prepared by the Escrow Holder as may be required to consummate the transaction contemplated by this Agreement. Any such instructions shall not conflict with, amend, or supersede any provisions of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the parties expressly agree in writing otherwise.

3.3 Form of Grant Deed. Fee simple absolute title to the Property shall be conveyed by Owner to County by a grant deed substantially similar to the form attached hereto as Exhibit "B," attached hereto and incorporated herein by this reference (the "Grant Deed"), subject to only matters approved in writing by County pursuant to Section 3.4 of this Agreement.

3.4 Condition of Title to Transfer Property. Owner shall cause the conveyance of good and marketable fee simple absolute title to the Property to County, as evidenced by a C.L.T.A. Standard Coverage Form Policy of Title Insurance ("Title Policy"), issued by Chicago Title Company (the "Title Company"), 700 South Flower Street, Suite 800, Los Angeles, California 90017, in an amount equal to the value of the Purchase Price. The Title Policy shall show as exceptions only matters approved in writing by County. The warranties of title are intended to survive the Closing. Prior to the Closing, Owner shall use reasonable efforts to remove from title any items disapproved by County. If any item so disapproved cannot be removed, said item may be eliminated by any feasible method that is acceptable to County. If County does not approve a method of removing any disapproved exception for any reason, County, as its sole and exclusive remedy, may: (a) waive this condition and proceed with this transaction, or (b) terminate this Agreement and neither party shall have any further liability to the other hereunder.

3.4 County's Conditions to Closing. County's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (a) Owner's delivery of the Grant Deed to Escrow Holder; (b) Owner's representations, warranties and covenants (as set forth herein) being true and correct as of Closing; and (c) Title Company's irrevocable commitment to issue the Title Policy. Upon non-satisfaction of any one of the above conditions, County shall allow Owner an opportunity to cure by any reasonable method; if Owner fails to cure, County may, in writing, terminate this Agreement, and thereafter the parties shall have no further obligations pursuant to this Agreement. If County does not object to Owner's non-satisfaction of said conditions, they shall be deemed



satisfied as of Closing.

3.5 Owner's Conditions to Closing. Owner's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (a) the Board of Supervisors adopting a Resolution of Notice of Intention to Purchase the Property; (b) the Board of Supervisors approving the purchase of the Property; (c) County's deposit of the Purchase Price into Escrow no later than ten (10) business days after approval of the purchase by the Board of Supervisors; (d) County's representations, warranties and covenants (as set forth herein) being true and correct as of the Closing. At County's election, County may seek from County's Board of Supervisors, a Resolution of Necessity, pursuant to California Code of Civil Procedures, Section 1245.210, et seq. to purchase the Property for the Purchase Price of \$2,350,000 plus the full amount of the provided Tenant Improvement Allowance, as set forth under Section 1.6 of this Agreement. Upon non-satisfaction of any one of the above conditions, Owner shall allow County a reasonable opportunity to cure by any reasonable method; If County fails to cure, Owner may, in writing, terminate this Agreement, and thereafter the parties shall have no further obligations pursuant to this Agreement. If Owner does not object to County's non-satisfaction of said conditions, they shall be deemed satisfied as of Closing.

3.6 Loss by Fire or Other Casualty. Owner shall maintain fire and casualty insurance on the Property in full force, in addition to any other insurance requirements called for in the Lease until Closing. In the event that, prior to Closing, the Property or any part thereof, is destroyed or damaged, County, at its option, may elect to terminate this Agreement, and thereafter, neither party shall have any further obligations pursuant to this Agreement. If County elects to accept the Property in its damaged condition, all proceeds of insurance paid or payable to Owner by reason of such damage or destruction shall be paid or assigned to County.

3.7 Closing. For purposes of this Agreement, the "Closing" shall be defined as the recordation of the grant deed in the official records of the Los Angeles County Registrar-Recorder/County Clerk. The parties shall effect the Closing within thirty (30) days following County's exercise of its Option. The Parties may agree in writing to extend the Closing beyond that date, if such an extension appears to either party to be necessary.

4. Possession.

4.1 County's Possession. County shall be entitled to full and absolute possession of the Property as of the Closing. Owner shall provide County with any means necessary to operate any locks and alarms associated with securing the improvements on the Property.

5. Owner Responsibilities and Covenants Running With the Land.

5.1. Owner shall provide all utilities, including exterior lighting (building and



arking), and shall separately meter fire/life safety systems at Owner's sole cost, no later than 30 days prior to the separation of Parcel "B" from Parcel "A," as depicted and described in Exhibit "A," upon County exercising its Option to purchase the Property (i.e., Parcel "B").

5.2. Owner shall replace at its sole cost the sewer line for Parcel B, and such replacement work shall meet the requirements of the Los Angeles County Regional Planning and Public Works departments, and the Los Angeles County Sanitation District . (as referenced in the Covenant and Restrictions).

5.3. Owner shall repair all retaining walls and concrete pads that are damaged, flexing or showing water penetration no later than 30 days prior to the execution of the Lease and this Agreement.

5.4. Owner shall terminate all property management agreements, listing agreements and maintenance agreements relating to the Property prior to Closing.

5.5. Owner agrees to deliver the Property in a vacant condition, without any tenancy rights encumbering it, other than the Lease, upon the Closing.

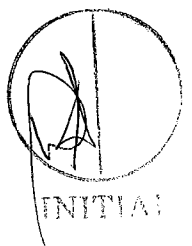
5.6. Owner agrees to enter into a covenant that the owner of Parcel A ("Parcel Owner A") shall, at Parcel Owner A's cost, to maintain, repair, clean, supervise, service, including curbs, drainage, sprinkler systems and all vegetation within existing landscaping, and shall not reduce the amount or size of existing landscaping on Parcels A, B, and C on Exhibit A, as said landscaping is approved by the Los Angeles County Regional Planning Department at the time the original Tract Map is recorded. Said covenant shall survive after Closing and shall run with the land. Owner shall record said covenant with the Registrar/Record of Los Angeles County.

5.7. Owner's failure to comply with any provisions in this Section 5 shall constitute a material breach of this Agreement.

6. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, or by Express Mail or Federal Express to the following address:

To County: County of Los Angeles, Chief Executive Office
Real Estate Division, Property Management Section
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Christopher Montana

With a Copy to: County of Los Angeles, Office of County Counsel



Room 653 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Property Division

To Owner: Castaic FCG Properties LLC
Attn: David Schaeffer, Mgr.
103 NW 3rd Street
Dimmitt, Texas 79027

With a Copy to: BRAD Management
Attention: Jerry Wise
12100 Olympic Boulevard #350, Suite 350
Los Angeles, California 90064

Notice shall be deemed, for all purposes, to have been given on the date of personal service or three (3) consecutive calendar days following the deposit of the same with a carrier as specified above. Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

7. Brokers. Owner represents and warrants to County that no broker has been engaged in connection with the transaction contemplated by this Agreement.

8. Representations and Warranties of the Parties. In consideration for entering into this Agreement and as an inducement to the transaction contemplated herein, each of the Parties makes the following representations and warranties, each of which is material and is being relied upon by the other, and the truth and accuracy of which shall constitute a condition precedent to each party's obligations hereunder. Each of the following representations and warranties shall be deemed to have been remade as of Closing:

8.1 Power. Each party has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

8.2 Requisite Action. All requisite action has been taken by each Party in connection with entering into this Agreement and the instruments referenced herein and, by Closing, all such necessary action will have been taken to authorize the consummation of the transactions contemplated by this Agreement. By Closing, no additional consent of any person or entity, judicial or administrative body, governmental authority or other party shall be required for each party to consummate the transactions contemplated by this Agreement.

8.3 Individual Authority. The individuals on behalf of each Party executing this Agreement and the instruments referenced herein, have the legal power, right and actual authority to bind their respective Party to the terms and conditions hereof and thereof.

8.4 Validity. This Agreement and all documents required hereby to be



executed by each Party are and shall be valid, legally binding obligations of and enforceable against each Party in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium laws or similar laws or equitable principles affecting or limiting the rights of contracting parties generally.

9. Indemnification.

9.1. County shall defend, indemnify, and hold harmless Owner from and against any and all liabilities, damages, claims, costs and expenses (including without limitation attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of County or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

9.2. Owner shall defend, indemnify, and hold harmless County and County's Special Districts, elected and appointed officers, agents and employees from and against any and all liabilities, damages, claims, costs and expenses (including without limitation attorneys' fees, legal expenses and consultants' fees) arising from the negligence or willful misconduct of Owner or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

9.3 The indemnity provided each party by this Section 9 shall survive the Closing.

10. General Provisions.

10.1 Delegation of Authority. Except as otherwise provided herein, County hereby delegates to its Chief Executive Officer or his designee, the authority to issue any and all approvals required by this Agreement and to execute any and all instruments necessary to consummate this transaction.

10.2 Survival of Covenants. The covenants, agreements, representations and warranties made in this Agreement are intended to survive the Closing and recordation and delivery of the Grant Deed.

10.3 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the transaction contemplated hereby and no addition or modification of any term or provision shall be effective unless set forth in writing, signed by both Owner and County.

10.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same Agreement.

10.5 California Law. This Agreement has been made and entered into in the



INITIAL

State of California, and shall be construed in accordance with the internal laws thereof.

10.6 Waivers. No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.

10.7 Captions. The section and paragraph numbers and captions appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or paragraphs of this Agreement nor in any way affect this Agreement.

10.8 Interpretation. Unless the context of this Agreement clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

10.9 Severability. In the event any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be severed from this Agreement and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement; provided that the remaining Agreement can be reasonably and equitably enforced.

10.10 Binding Effect. The provisions of this Agreement shall be binding upon the parties hereto and their respective successors-in-interest.

10.11 No Presumption Regarding Drafter. The parties acknowledge and agree that the terms and provisions of this Agreement have been negotiated and discussed between the parties and their attorneys, and that this Agreement reflects their mutual agreement regarding the same. Because of the nature of such negotiations and discussions, it would be inappropriate to deem any party to be the drafter of this Agreement, and therefore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.

10.12 Assistance of Counsel. Each party hereto either had the assistance of counsel or had counsel available to it, in the negotiation for, and the execution of, this Agreement, and all related documents.


INITIAL

IN WITNESS WHEREOF, County, by order of its Board of Supervisors, has executed this Agreement or caused it to be subscribed by its Chair and the seal of the Board to be hereto affixed and attested by the Chief Executive Office thereof, and Castaic FCG Properties, LLC has caused this Agreement to be subscribed in its behalf by its duly authorized signatory the day, month, and year first above written.

Castaic FCG Properties, LLC

By: _____

David Schaeffer

Its: _____
Manager

ATTEST:

COUNTY OF LOS ANGELES

SACHI A. HAMAI
Executive Officer-Clerk of
The Board of Supervisors

By: _____

Deputy

By: _____

Chairman, Board of Supervisors

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: _____

Deputy



I hereby certify that pursuant to
Section 26103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: _____
Deputy

27971 Option Agreement

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

8

JUN 19 2012

SACHI A. HAMAI
SACHI A. HAMAI
EXECUTIVE OFFICER

27971 Option Agreement

HOA.883478.210

77777

EXHIBIT LIST

Exhibit "A" Legal Description

Exhibit "B" Grant Deed Form



EXHIBIT "A"

LEGAL DESCRIPTION

LOT 1

Being a portion of land in the Unincorporated Territory of the County of Los Angeles, State of California, within the Lot 1, Tract No. 34611, as per map recorded in Book 1021, pages 86 and 87, of Maps, in the Office of the County Recorder of said County, described as follows:

Commencing at the northeast corner of said Lot 1;

thence, along the northerly line of said Lot 1, North 89° 58' 38" West 251.67 feet;

thence, leaving said northerly line, South 0° 01' 22" West 80.64 feet to the **TRUE POINT OF BEGINNING**;

thence, South 68° 02' 30" East 15.39 feet;

thence, North 20° 42' 47" East 2.54 feet;

thence, South 60° 56' 20" East 14.39 feet, to a point hereinafter referred to as POINT "A";

thence, continuing along a prolongation of last said course, South 60° 56' 20" East 13.75 feet;

thence, South 22° 12' 25" West 22.44 feet to a tangent curve, concave to the northeast, having a radius of 4.00 feet;

thence, southerly and southeasterly along last mentioned curve, through a central angle of 90° 42' 02" an arc length of 6.33 feet, to a tangent line;

thence, leaving last said curve along said tangent line, South 68° 29' 37" East 14.53 feet;



thence, South 22° 10' 42" West 234.85 feet;

thence, North 68° 12' 49" West 17.50 feet, to a tangent curve, concave to the south, having a radius of 3.50 feet;

thence, northwesterly, westerly and southwesterly along last mentioned curve, through a central angle of 91° 05' 52" an arc length of 5.56 feet, to a tangent line;

thence, leaving last said curve along said tangent line, South 22° 10' 58" West 17.27 feet;

thence, North 68° 12' 26" West 18.90 feet;

thence, South 82° 07' 50" West 26.83 feet, to a point hereinafter referred to as POINT "B";

thence, continuing along a prolongation of last said course, South 82° 07' 50" West 13.04 feet;

thence, North 10° 23' 00" West 18.64 feet, to a tangent curve, concave to the southwest, having a radius of 5.00 feet;

thence, northerly and northwesterly along last mentioned curve, through a central angle of 52° 25' 36" an arc length of 4.58 feet, to a tangent line;

thence, leaving last said curve along said tangent line, North 62° 48' 35" West 7.39 feet;

thence, North 68° 09' 57" West 25.56 feet;

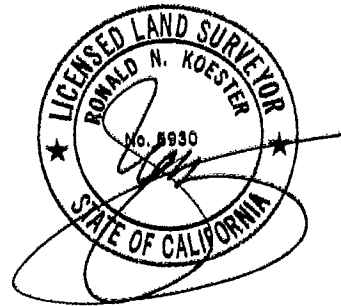
thence, South 84° 55' 07" West 2.82 feet;

thence, North 67° 58' 53" West 34.04 feet;

thence, North 21° 44' 59" East 8.07 feet, to a point on a non-tangent curve, concave to the northeast, having a radius of 22.00 feet, a radial bearing to said point bears, South 23° 56' 07" West ;

thence, northwesterly, northerly and northeasterly along last mentioned curve, through a central angle of 89° 43' 45" an arc length of 34.45 feet, to a tangent line;

thence, leaving last said curve along said tangent line, North 22° 33' 15" East 51.60 feet;
thence, South 66° 56' 04" East 20.19 feet;
thence, North 22° 16' 20" East 31.86 feet;
thence, South 66° 58' 45" East 4.01 feet;
thence, North 22° 06' 06" East 74.66 feet;
thence, North 20° 17' 51" West 7.52 feet;
thence, North 22° 16' 09" East 49.17 feet;
thence, South 67° 58' 04" East 47.87 feet;
thence, North 22° 49' 18" East 12.05 feet;
thence, South 67° 59' 56" East 49.64 feet;
thence, North 22° 25' 37" East 30.38 feet, to the **TRUE POINT OF BEGINNING.**



New Lot 1 Description

The area of this description is 42,208.0 s.f. (0.96 acres)

CRC 2769

March 6, 2012

This Legal Description contains 3 Pages

WJ
INITIAL.

EXHIBIT "A"

LEGAL DESCRIPTION

INGRESS and EGRESS EASEMENT for LOT 1

Being a 26.00 foot wide easement to the County of Los Angeles, State of California for Ingress and Egress purposes lying across a portion of land in the Unincorporated Territory of the County of Los Angeles, State of California, within a portion of the Northwest Quarter of Section 25, T5N, R17W, SBM and within Lot 1, Tract No. 34611, as per map recorded in Book 1021, pages 86 and 87, of Maps, in the Office of the County Recorder of said County, the centerlines are described as follows:

Beginning at the point described hereinbefore as **POINT "A"**;

thence, North 22° 12' 25" East 0.56 feet, to a tangent curve, concave to the southeast, having a radius of 68.00 feet;

thence, northeasterly along last mentioned curve, through a central angle of 37° 30' 37" an arc length of 44.52 feet, to a tangent line;

thence, leaving last said curve along said tangent line, North 59° 40' 00" East 67.63 feet, to a tangent curve, concave to the south, having a radius of 55.00 feet;

thence, northeasterly and easterly along last mentioned curve, through a central angle of 30° 21' 23" an arc length of 29.14 feet, to a tangent line;

thence, leaving last said curve along said tangent line, South 89° 58' 38" East 129.96 feet, to a point on the southwesterly Right of Way line of The Old Road, 80.00 foot wide, as shown on said Tract No. 34611. Said Right of Way line being a non-tangent curve, concave to the northeast, having a radius of 840.00 feet, a radial bearing to said point bears, South 62° 19' 38" West.

TOGETHER with that strip of land described as follows:

Beginning at the point described hereinbefore as **POINT "B"**;

said point being the northerly terminus of a non-tangent curve, concave to the northeast, having a radius of 33.00 feet, a radial bearing to said point bears South 77° 24' 18" West;


INITIALS

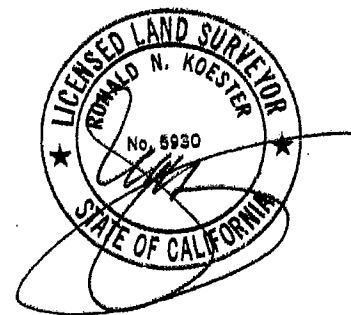
thence, southerly and southeasterly along last mentioned curve, through a central angle of 20° 25' 59" an arc length of 11.77 feet, to a tangent line;

thence, leaving last said curve along said tangent line, South 33° 01' 41" East 121.54 feet, to a tangent curve, concave to the northeast, having a radius of 112.00 feet;

thence, southeasterly along last mentioned curve, through a central angle of 11° 52' 14" an arc length of 23.20 feet, to a tangent line;

thence, leaving last said curve along said tangent line, South 44° 53' 55" East 165.45 feet, to a point on the northwesterly Right of Way line of Sloan Canyon Road, variable width, shown as Camino del Valle on said Tract No. 34611. Said Right of Way line being a non-tangent curve, concave to the southeast, having a radius of 900.00 feet, a radial bearing to said point bears, North 42° 58' 49" West.

The sidelines of said 26.00 foot wide strips shall be lengthened or shortened so as to terminate upon proposed Lot 1 and the southwesterly right of way line of The Old Road, and the northwesterly right of way line of Sloan Canyon Road, shown as Camino del Valle on said Tract No. 34611.



Ingress and Egress Easement for Lot 1 Description
CRC 2769
March 16, 2012
This Legal Description contains 2 Pages

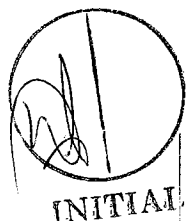
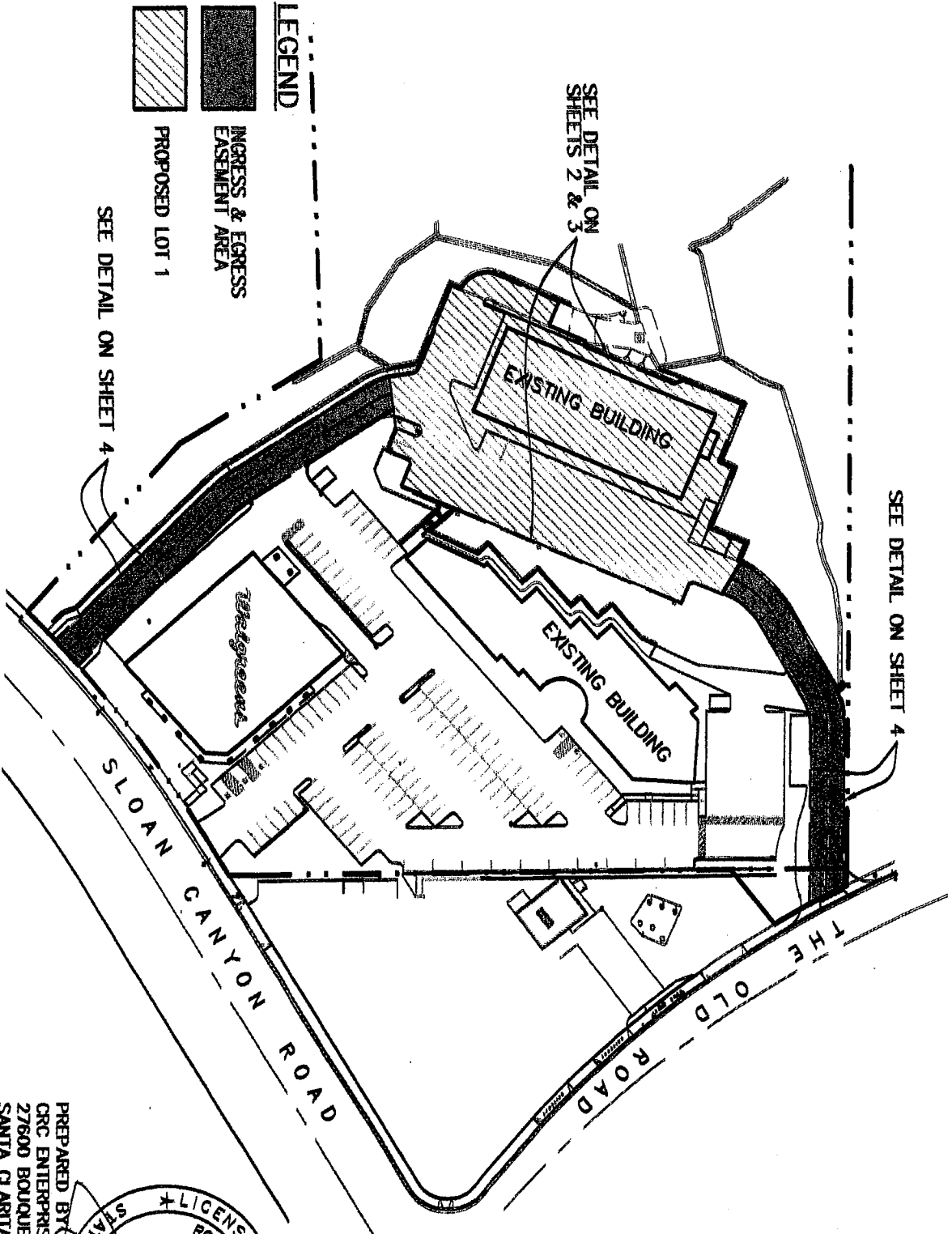

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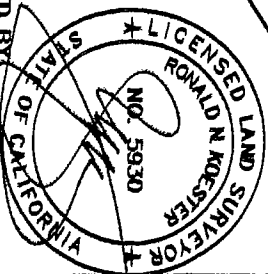
EXHIBIT "B" - KEY MAP

NOT TO SCALE

SHEET 1 OF 4 SHEETS



PREPARED BY
CRC ENTERPRISES
27600 BOUQUET CYN RD. # 200
SANTA CLARITA, CA 91350



INITIAL

EXHIBIT "B"

NOT TO SCALE

SHEET 2 OF 4 SHEETS

INITIAL



LEGEND

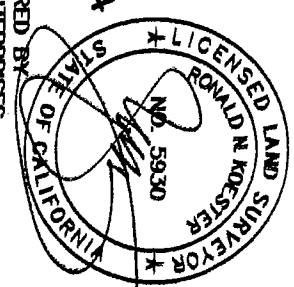
- R1 TRACT 34611 M.B. 1021
- PAGES 86/87
- POC POINT OF COMMENCEMENT
- TPOB TRUE POINT OF BEGINNING
- AREA LIGHT

COURSE TABLE		
No.	BEARING	DIST.
D1	S68°02'30"E	15.39'
D2	N20°42'47"E	2.54'
D3	S60°56'20"E	28.14'
D4	S22°12'25"W	22.44'
D5	S68°29'37"E	14.53'
D6	S67°49'18"E	1.58'
D7	N201°7'51"W	7.52'
D8	N22°49'18"E	12.05'
D9	N22°25'37"E	30.38'

CURVE TABLE			
No.	DELTA	R	L
C1	90°42'02"	4.00'	6.33'

CENTERLINE OF 26' WIDE INGRESS AND EGRESS EASEMENT. SEE SHEET 4.

SEE SHEET 4



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CRC ENTERPRISES
27600 BOUQUET CYN RD. # 200
SANTA CLARITA, CA. 91350

MATCH
SEE

SHEET

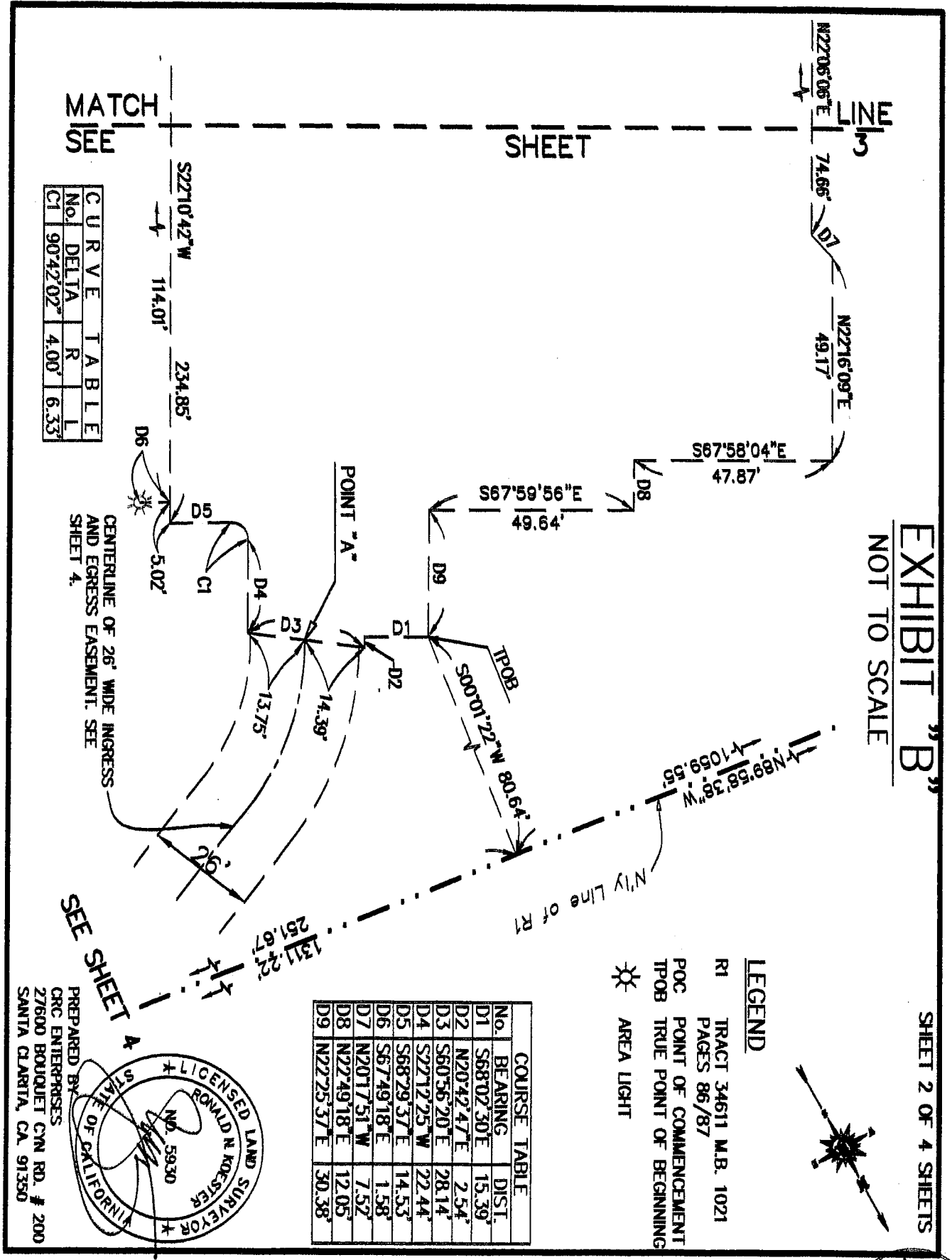
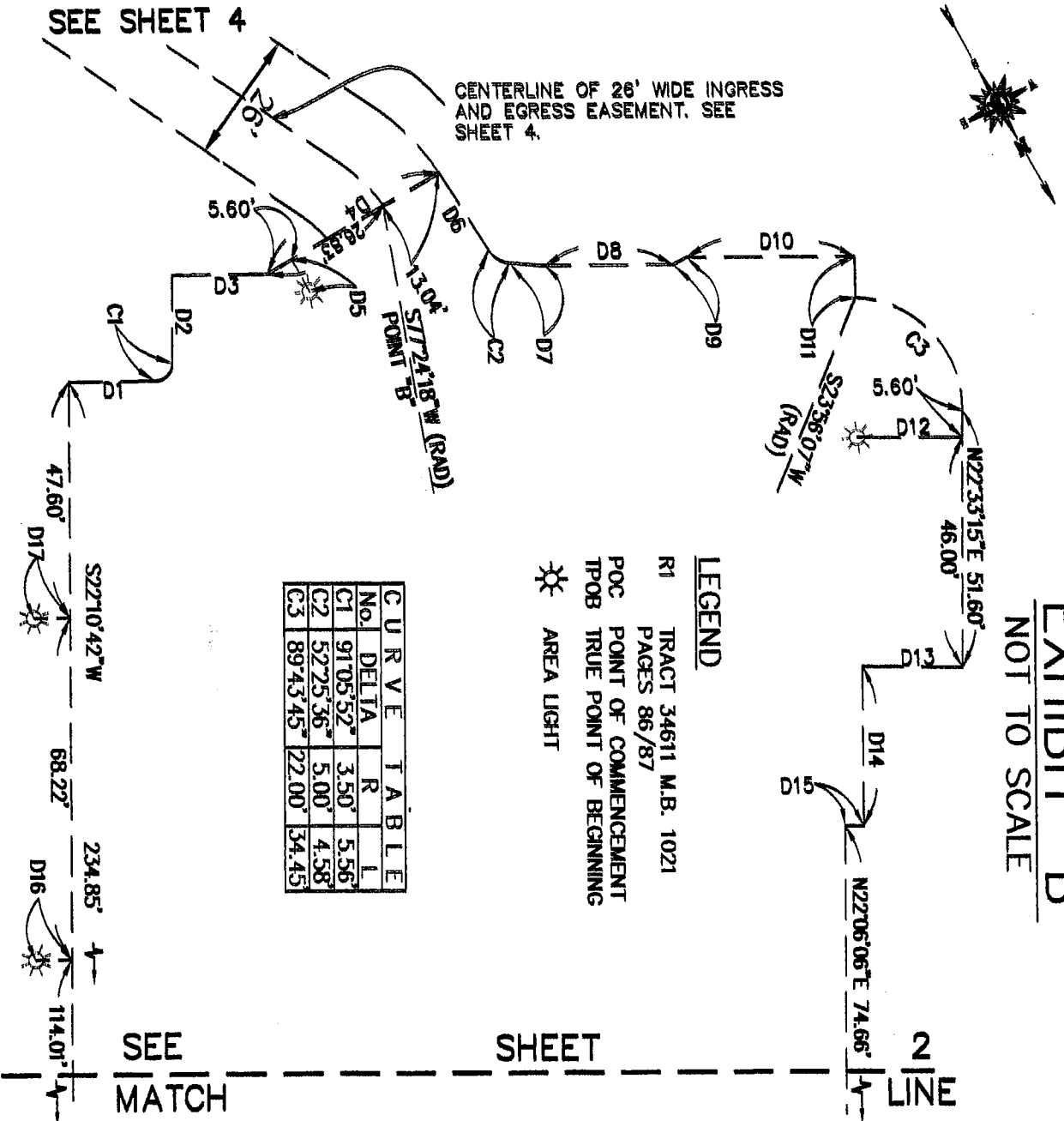


EXHIBIT "B"

NOT TO SCALE

SHEET 3 OF 4 SHEETS



LEGEND

- R1 TRACT 34611 M.B. 1021
- PAGES 86/87
- POC POINT OF COMMENCEMENT
- TPOB TRUE POINT OF BEGINNING
- AREA LIGHT

CURVE TABLE			
No.	DELTA	R	L
C1	91°05'52"	3.50'	5.56'
C2	52°25'36"	5.00'	4.58'
C3	89°43'45"	22.00'	34.45'

COURSE TABLE		
No.	BEARING	DIST.
D1	N68°12'49"W	17.50'
D2	S27°10'58"W	17.27'
D3	N68°12'26"W	18.90'
D4	S82°07'50"W	39.87'
D5	N75°21'0"W	3.31'
D6	N10°23'00"W	18.64'
D7	N62°48'35"W	7.39'
D8	N68°09'57"W	25.56'
D9	S84°55'07"W	2.82'
D10	N67°58'53"W	34.04'
D11	N21°44'59"E	8.07'
D12	S67°26'45"E	21.16'
D13	S66°56'04"E	20.19'
D14	N22°16'20"E	31.86'
D15	S66°58'45"E	4.01'
D16	S67°49'18"E	2.12'
D17	S67°49'18"E	2.56'

PREPARED BY
CRC ENTERPRISES
27600 BOUQUET CYN RD. # 200
SANTA CLARITA, CA 91350

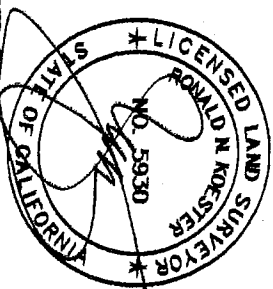
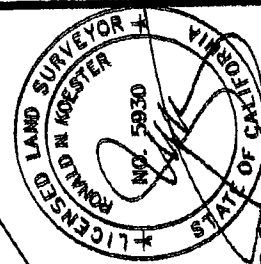
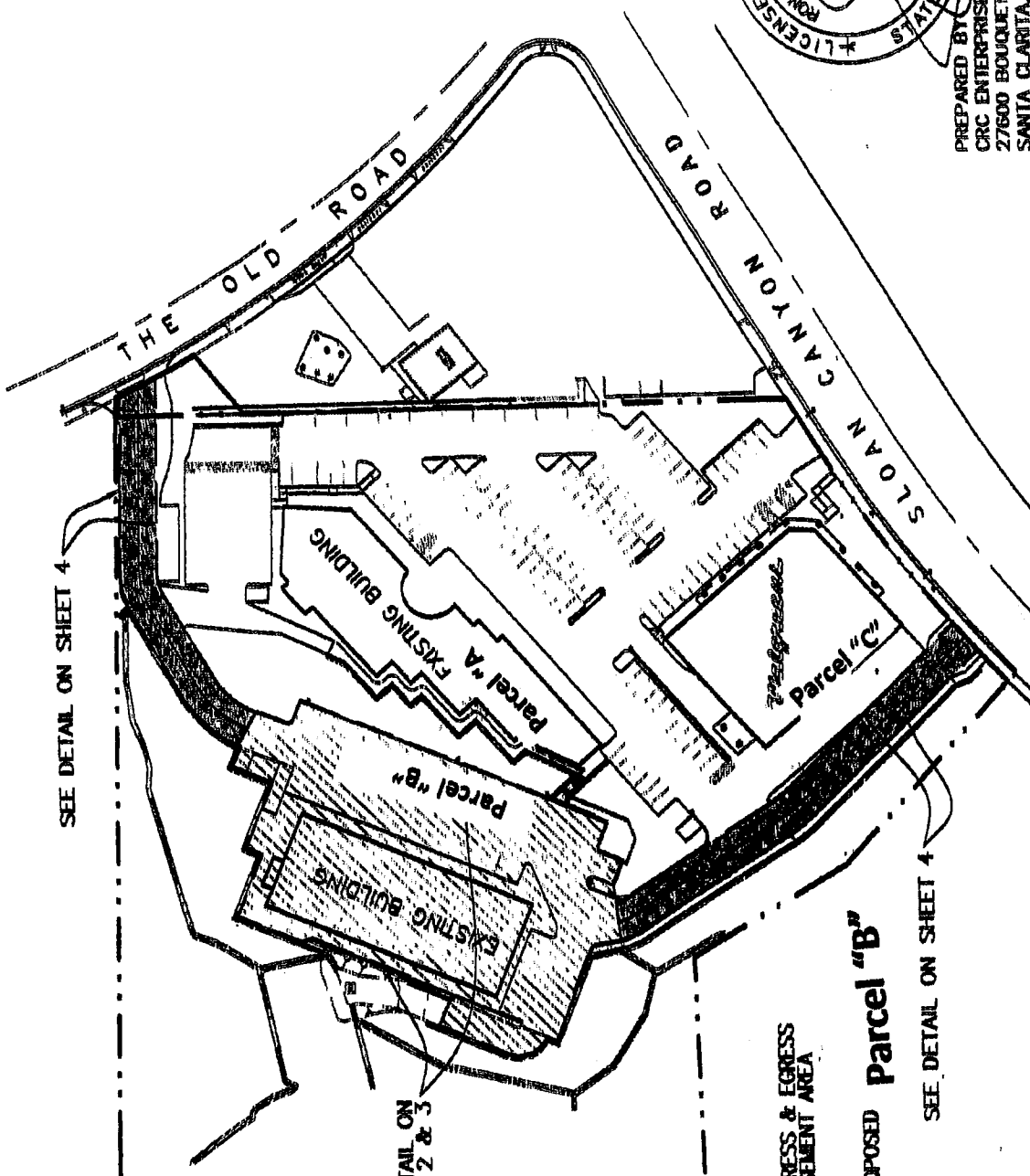


EXHIBIT "B" - KEY MAP

NOT TO SCALE



PREPARED BY
CRC ENTERPRISES
27600 BOUQUET CYN RD. # 200
SANTA CLARITA, CA. 91350

LEGEND

INGRESS & EGRESS
EASEMENT AREA

PROPOSED
parcel "B"



INITIAL

EXHIBIT "B"
GRANT DEED

**RECORDING REQUESTED BY
COUNTY OF LOS ANGELES**

WHEN RECORDED MAIL TO:

County of Los Angeles
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012
Attention: Director of Real Estate

Space above this line for Recorders use

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11922 OF THE REVENUE & TAXATION CODE

ASSESSOR'S IDENTIFICATION NUMBER
2885 030 012/2885 030 013

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO
SECTION 27383 OF THE GOVERNMENT CODE

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Castaic FCG Properties LLC., a Texas Limited Liability Company, (hereinafter called "Grantor") does hereby grant to the COUNTY OF LOS ANGELES, (hereinafter called "County") a body corporate and politic, all of the Grantor's rights, title and interests to that certain real property in the County of Los Angeles, State of California, legally described in Exhibit "A", attached hereto and incorporated herein by this reference.

SUBJECT TO:

1. All taxes, penalties and assessments of record, if any.
2. Covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way, if any.

Dated _____

GRANTOR:

By _____
Its _____

